

State of Alaska FY2009 Governor's Operating Budget

Department of Labor and Workforce Development Performance Measures

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Department of Labor and Workforce Development

Mission

The mission of the Department of Labor and Workforce Development is to provide safe and legal working conditions and to advance opportunities for employment.

Core Services

The Office of the Commissioner RDU provides direction in the administration of the department's programs and facilitates the resolution of disputes between organized labor and public employers.

The Administrative Services RDU provides management information and support services to the department, develops and distributes labor market and population information, and conducts labor force research. The division's support services include fiscal, publications, budget and data processing.

The Workers' Compensation RDU administers the state's Workers' Compensation Act, the Fishermen's Fund and the Second Injury Fund to aid Alaskans with employment related injuries and illnesses.

The Labor Standards and Safety RDU provides enforcement, training and monitoring of the laws governing occupational safety and health, wages and hours, child labor and the safety of certain mechanical devices and hazardous substances.

The Employment Security RDU assesses and collects Unemployment Insurance (UI) tax, pays UI benefits, operates a public labor exchange and provides adult basic education services.

The Business Partnerships RDU develops, designs and implements workforce training programs, administers the State Training and Employment Program (STEP) and is the grantee for all Workforce Investment Act federal grants.

The Vocational Rehabilitation RDU assists individuals with disabilities to obtain and maintain employment.

End Result	Strategies to Achieve End Result
A: Full employment of Alaska workforce. <u>Target #1:</u> Decrease the percent of non-residents working in Alaska by 2% per year. <u>Measure #1:</u> Percent of non-resident workers in Alaska.	A1: Enforce the provisions for resident hire preference on public construction projects. <u>Target #1:</u> Check 60% of certified payrolls for compliance with Alaska resident hire requirements. <u>Measure #1:</u> Percentage of certified payrolls checked for compliance. A2: Increase the number of Workforce Investment System participants who get jobs. <u>Target #1:</u> Increase the percentage of Workforce Investment System participants that enter employment by 1% as compared to the previous year. <u>Measure #1:</u> Percent of Workforce Investment System participants that enter employment. <u>Target #2:</u> Increase the number of Workforce Investment System participants by 500 as compared to the previous year. <u>Measure #2:</u> Change in number of Workforce Investment

	<p>System participants.</p> <p><u>Target #3:</u> Equal prior year's number of employed individuals exiting the vocational rehabilitation program.</p> <p><u>Measure #3:</u> Number of employed individuals exiting the vocational rehabilitation program.</p> <p>A3: Increase the number of job orders and job openings listed in the Workforce Investment System.</p> <p><u>Target #1:</u> Increase the number of job openings placed by employers by 1,000 as compared to the previous year.</p> <p><u>Measure #1:</u> Change in the number of job openings posted on the department's labor exchange system.</p>
End Result	Strategies to Achieve End Result
<p>B: A prepared workforce.</p> <p><u>Target #1:</u> At least 95 percent of trained participants will enter employment</p> <p><u>Measure #1:</u> Percent of trained participants entering employment</p>	<p>B1: Improve the degree to which workforce investment resources are invested according to the industry priorities of the Alaska Workforce Investment Board (AWIB).</p> <p><u>Target #1:</u> At least 60 percent of participants are trained in occupations aligned with the AWIB's industry priorities.</p> <p><u>Measure #1:</u> Percent of participants trained in priority industry occupations.</p>
End Result	Strategies to Achieve End Result
<p>C: Eliminate accidental injuries, fatalities and occupational illnesses within departmental jurisdiction.</p> <p><u>Target #1:</u> 2% per year reduction in the rate of workplace lost time injuries and illnesses per 100 employees.</p> <p><u>Measure #1:</u> The rate of workplace lost time injuries and illnesses per 100 employees compared to the previous year.</p> <p><u>Target #2:</u> Zero accidental workplace fatalities.</p> <p><u>Measure #2:</u> The number of accidental workplace fatalities compared to the previous year.</p>	<p>C1: Improve voluntary compliance with Occupational Safety and Health (OSH) requirements.</p> <p><u>Target #1:</u> Increase the number of Voluntary Protection Program (VPP) and Safety & Health Achievement Recognition Program (SHARP) sites in Alaska by 10% per year.</p> <p><u>Measure #1:</u> The percentage change in the number of VPP and SHARP sites in comparison to the previous year.</p>

FY2009 Resources Allocated to Achieve Results

FY2009 Department Budget: \$166,330,800

Personnel:

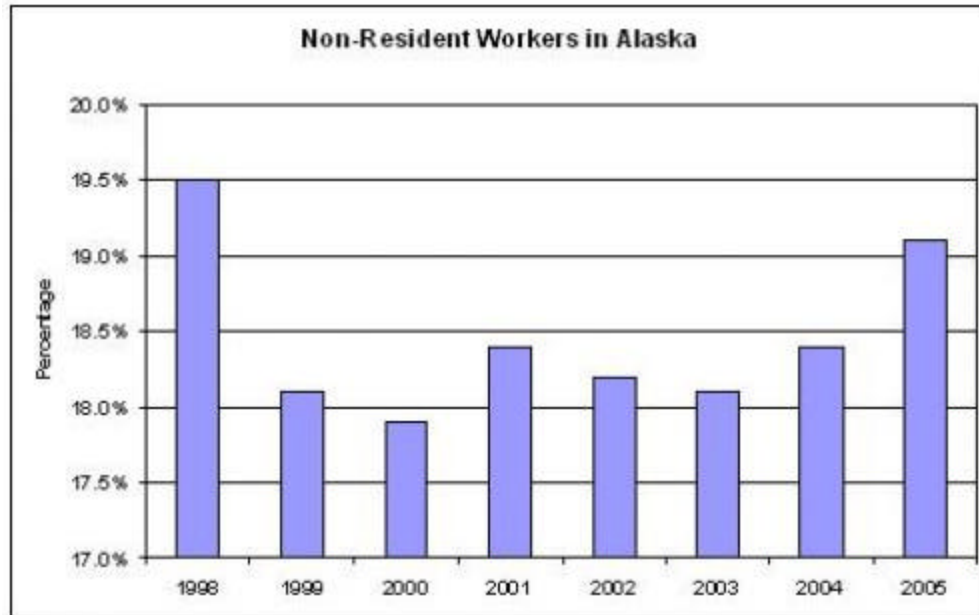
Full time	835
Part time	105
Total	940

Performance Measure Detail

A: Result - Full employment of Alaska workforce.

Target #1: Decrease the percent of non-residents working in Alaska by 2% per year.

Measure #1: Percent of non-resident workers in Alaska.



Analysis of results and challenges: For the period 1992-2003, the percentage of nonresidents working in Alaska has varied from a high of 23.7% in 1992 to a low of 17.9% in 2000. The total number of wage and salary workers in Alaska for 2005 was 389,269 and 74,266 (19.1%) of Alaska's workforce were nonresident. The increase is due to strong growth in the construction, accommodations and foods services, and mining (oil and gas) industries. Wage and Hour proposes to increase enforcement of the Alaska employment preference law on public construction projects in FY 2008.

2006 data will not be available until January 2008.

A1: Strategy - Enforce the provisions for resident hire preference on public construction projects.

Target #1: Check 60% of certified payrolls for compliance with Alaska resident hire requirements.

Measure #1: Percentage of certified payrolls checked for compliance.

Certified Payrolls

Fiscal Year	# Received	# Audited	% Checked
FY 2004	16,770	762	5%
FY 2005	43,942	9,215	21%
FY 2006	42,027	20,929	50%
FY 2007	41,266	26,123	63%

Analysis of results and challenges: Wage and Hour had not monitored the number of certified payrolls collected until 1/1/04. With additional Wage & Hour Technicians the percentage of certified payrolls checked has increased. The department's FY07 proposal for an on-line certified payroll system was approved and the number of certified payrolls checked should increase to 100% when this system goes on-line in FY08. This program will allow improved tracking of resident hire and apprentice utilization performance.

A2: Strategy - Increase the number of Workforce Investment System participants who get jobs.

Target #1: Increase the percentage of Workforce Investment System participants that enter employment by 1% as compared to the previous year.

Measure #1: Percent of Workforce Investment System participants that enter employment.

Fiscal Year	1st Qtr	2nd Qtr	3rd Qtr	4th Qtr	YTD
FY 2006	64%	61%	61%	61%	62%
FY 2007	60%	59%	57%	56%	58%
FY 2008	0	0	0	0	Forecast 59%

Analysis of results and challenges: The Entered Employment Rate is defined as: Of those not employed at the date of participation; the number of participants who demonstrated employment (wages earned) in the first quarter after they exited participation, divided by the total number of participants who exited during the quarter.

In compliance with federal common measures, an Alaska Labor Exchange system (ALEXsys) was implemented in April 2006. FY 2007 is the first full employment data reporting period utilizing ALEXsys and establishes the baseline. ALEXsys increases the accuracy of performance data reporting and resulted in a four percent decrease in reported performance as compared to the previous data.

Efforts to increase the percentage of Workforce Investment System participants that enter employment include professional job center staff available to assist job seekers with registration in ALEXsys, help build skills and post resumes, view labor market and career information, search for jobs, offer workshops to learn job search strategies, develop interviewing skills, provide training information, and special services for veterans, seniors, persons with disabilities, and unemployment insurance recipients. Marketing strategies continue to increase use of our services.

Update: FY 2008 1st Quarter information will be available late November 2007

Target #2: Increase the number of Workforce Investment System participants by 500 as compared to the previous year.

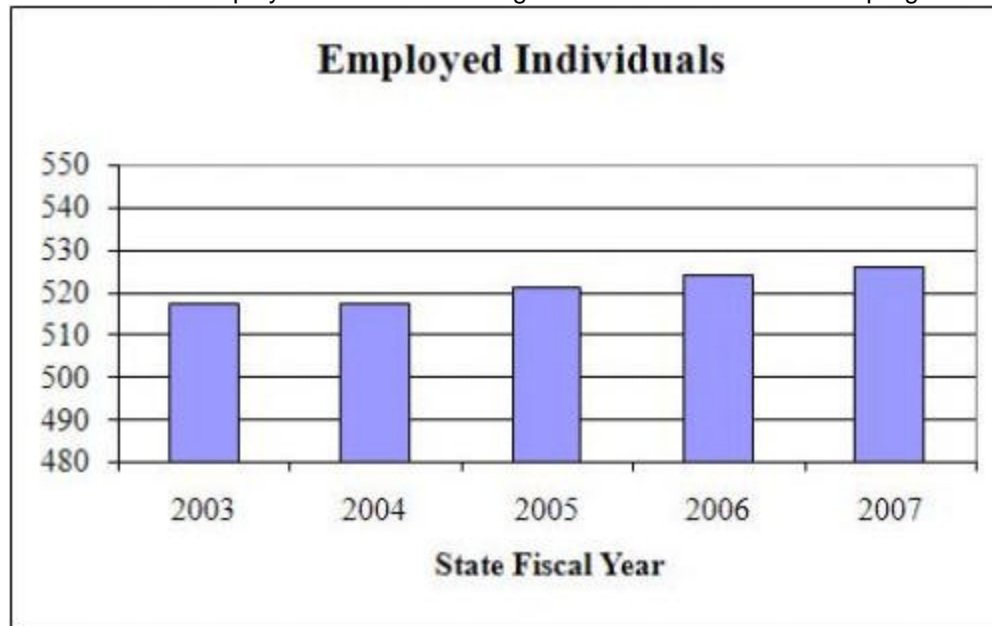
Measure #2: Change in number of Workforce Investment System participants.

Fiscal Year	1st Qtr	2nd Qtr	3rd Qtr	4th Qtr	YTD	Change
FY 2006	19,208	27,656	14,983	17,381	79,228	
FY 2007	28,878	32,547	25,108	23,032	109,565	30,337
FY 2008	0	0	0	0	Forecast 110,065	500

Analysis of results and challenges: Common Measures federal reporting requirements redefine a "registrant" to that of a "participant." An individual may be counted as a participant more than once in any given four-quarter reporting period if they resume receiving services after having a break in service of 90 days or more. Job seekers who self-register in ALEXsys via the internet also count as "participants." All UI claimants must register in ALEXsys as well. This has resulted in an increase in our overall participation rate. FY 2006 is the new baseline year for Common Measures and should be the State's baseline year for this measure.

Target #3: Equal prior year's number of employed individuals exiting the vocational rehabilitation program.

Measure #3: Number of employed individuals exiting the vocational rehabilitation program.



Employed Individuals

Fiscal Year	YTD
FY 2003	517
FY 2004	517
FY 2005	521
FY 2006	524
FY 2007	526

Analysis of results and challenges: An individual must be working for a minimum of 90 days in order to be counted as employed. The number of individuals employed has increased annually even though the number of applicants entering the program has slightly declined. In FY2006 the division served 3,960 individuals and in FY2007 3,897 were served.

The decline of applicants is probably attributed to the strong Alaskan labor market and economy. During the past year, the Division has made a concerted effort to outreach to potential referral sources to insure people with disabilities know about and can apply for vocational rehabilitation services.

Both staff and financial resources affect the number of individuals the division is able to assist. With level funding and the difficulty of recruiting qualified staff to replace our retiring experienced counselors, maintaining the current level of production will continue to challenge the division.

A3: Strategy - Increase the number of job orders and job openings listed in the Workforce Investment System.

Target #1: Increase the number of job openings placed by employers by 1,000 as compared to the previous year.

Measure #1: Change in the number of job openings posted on the department's labor exchange system.

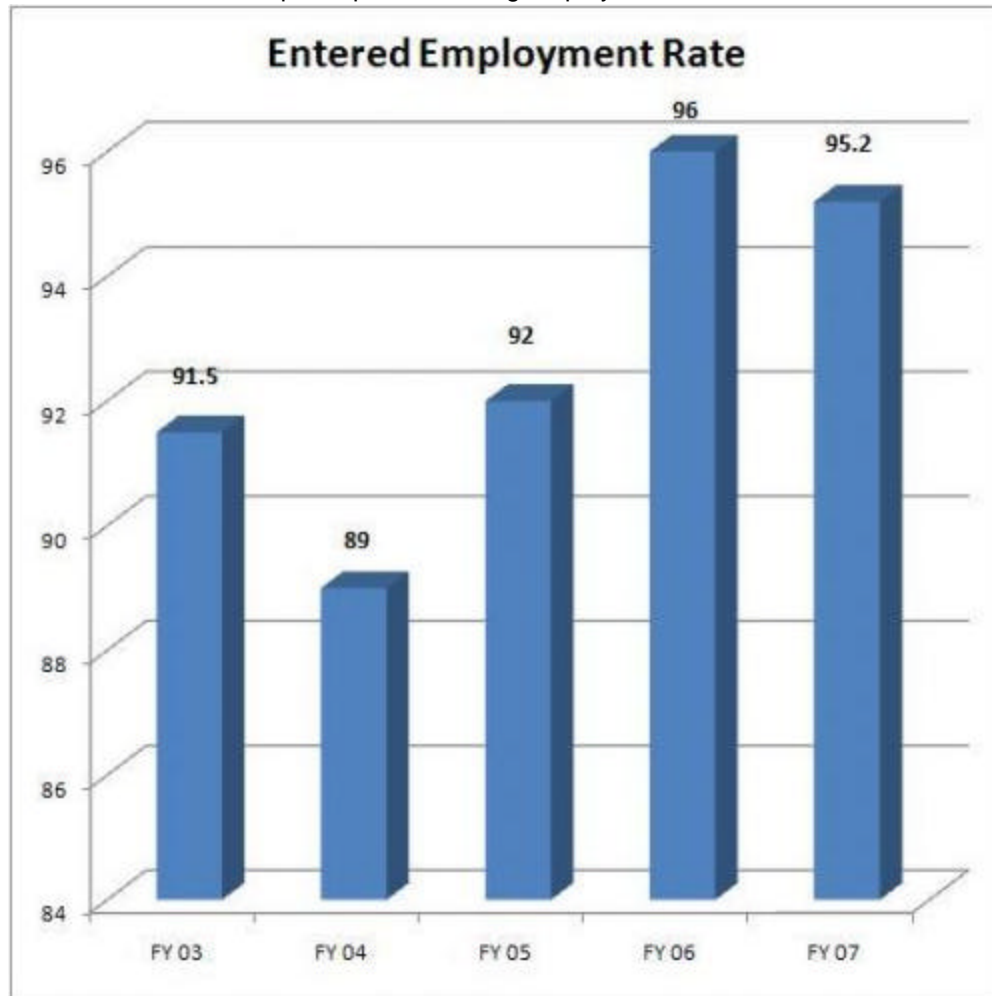
Fiscal Year	1st Qtr	2nd Qtr	3rd Qtr	4th Qtr	YTD	Change
FY 2003					44,632	0
FY 2004	11,619	8,875	11,443	13,986	45,923	1,291
FY 2005	15,344	9,397	12,386	16,783	53,910	7,987
FY 2006	17,033	12,199	12,093	7,309	48,634	(5,276)
FY 2007	22,624	16,212	16,195	12,512	67,543	18,909
FY 2008	0	0	0	0	Forecast 68,543	0

Analysis of results and challenges: A large direct mail and media marketing campaign to employers in Alaska led to a spike in employers using ALEXsys when it was first implemented in April 2006 and to a spike in total openings in the first quarter of 2007. Continued promotion of ALEXsys to employers combined with its self-service nature as an on-line labor exchange system has led to an increase of total Job Openings in FY2007 of 18,909 compared to FY2006.

B: Result - A prepared workforce.

Target #1: At least 95 percent of trained participants will enter employment

Measure #1: Percent of trained participants entering employment



Entered Employment Rate

Analysis of results and challenges: This measure is an aggregate rate reflecting the percent of individuals who completed their respective training programs provided through the three primary Workforce Investment Act (WIA) Title IB program funding streams and/or the State Training and Employment Program (STEP) and found employment within one year. The FY07 rate dropped slightly due to delays the division experienced issuing grants. Litigation and court rulings precluded the division from negotiating and completing grant awards around the beginning of the fiscal year. These delays translate into fewer participants receiving training and completing their program within the fiscal year. It is worth noting that the court ruled in favor of the department.

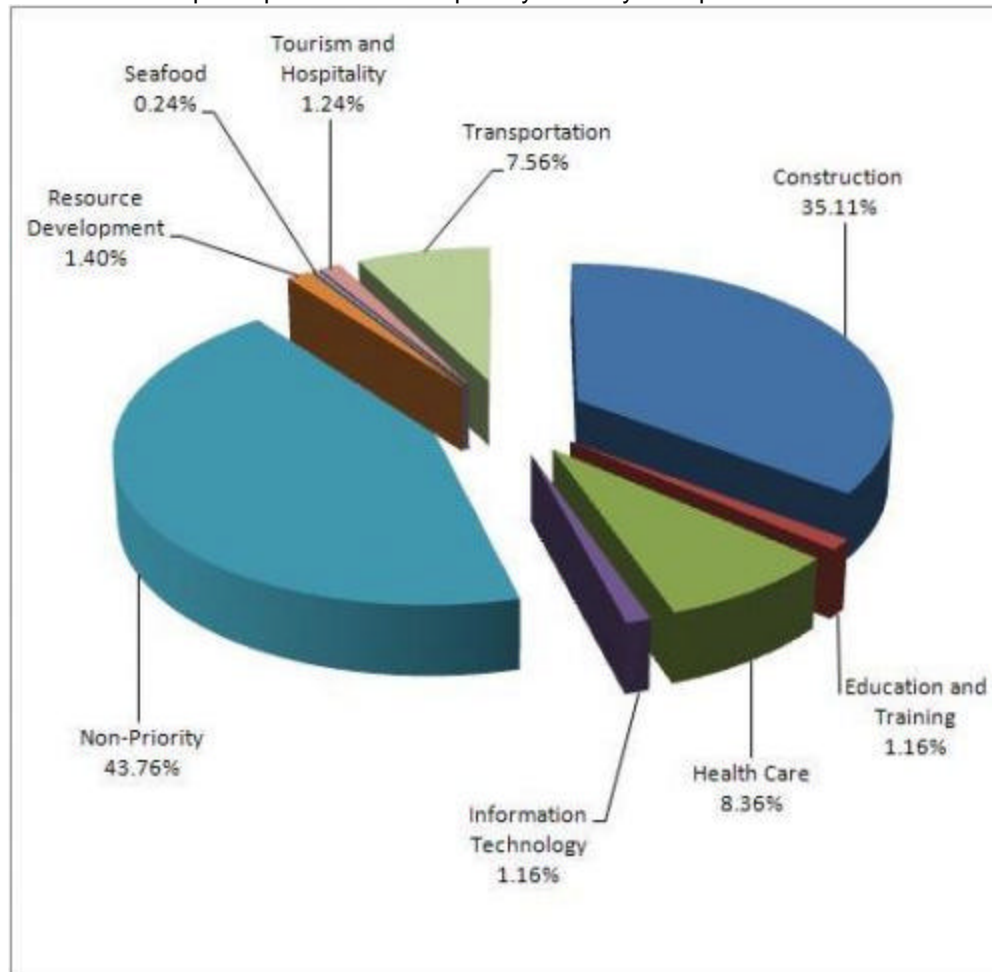
The total number of participants trained during FY 2007 was 2,161 of which 2,058 entered employment.

The division continues to work closely with grantees and training providers to ensure participants receive the requisite level of training to attain and retain employment. Most of the division's grant agreements address and require grantee involvement with the participant in job placement activities.

B1: Strategy - Improve the degree to which workforce investment resources are invested according to the industry priorities of the Alaska Workforce Investment Board (AWIB).

Target #1: At least 60 percent of participants are trained in occupations aligned with the AWIB's industry priorities.

Measure #1: Percent of participants trained in priority industry occupations.



Percentage of Trainings Completed In Priority Industry Occupations During FY 2007

Analysis of results and challenges: Training in priority industry occupations remained the primary focus for the department during fiscal year 2007. The predominant industries were construction and health care. The state re-energized its efforts in preparing the workforce for the forthcoming gas pipeline and forecasted shortages due to retirements and other vacancies resulting from an aging workforce. The decrease during FY 2007 was due to a hold placed on granting funds as a result of litigation and subsequent court rulings. The court ruled in favor of the department which meant it could move forward on grants. However, grant recipients had significantly less time available to recruit and train individuals. This is particularly detrimental in industries having long training courses.

The Alaska Workforce Investment Board (AWIB) retained the following priority industries throughout SFY 2007: Health Care, Transportation, Hospitality, Seafood, Education, Construction, Information Technology, and Resource Development.

FY2004 57% in priority industry occupations

FY2005 58% in priority industry occupations

FY2006 62% in priority industry occupations

FY2007 56% in priority industry occupations

Our Management Information System participant data for FY 2007 shows approximately 56% of clients were trained in priority industry occupations. The strategies and processes provide clear direction and encouragement for training participants in priority industry occupations. In addition, we use these priorities to encourage, but not require, participants as they apply their "informed customer choice" options for training.

C: Result - Eliminate accidental injuries, fatalities and occupational illnesses within departmental jurisdiction.

Target #1: 2% per year reduction in the rate of workplace lost time injuries and illnesses per 100 employees.

Measure #1: The rate of workplace lost time injuries and illnesses per 100 employees compared to the previous year.

Worker Lost Time Injuries and Illnesses

Fiscal Year	Rate	% Change
FY 2001	3.59	
FY 2002	3.24	-10%
FY 2003	2.73	-16%
FY 2004	1.94	-29%
FY 2005	2.29	18%
FY 2006	2.24	-2%
FY 2007	2.02	-10%

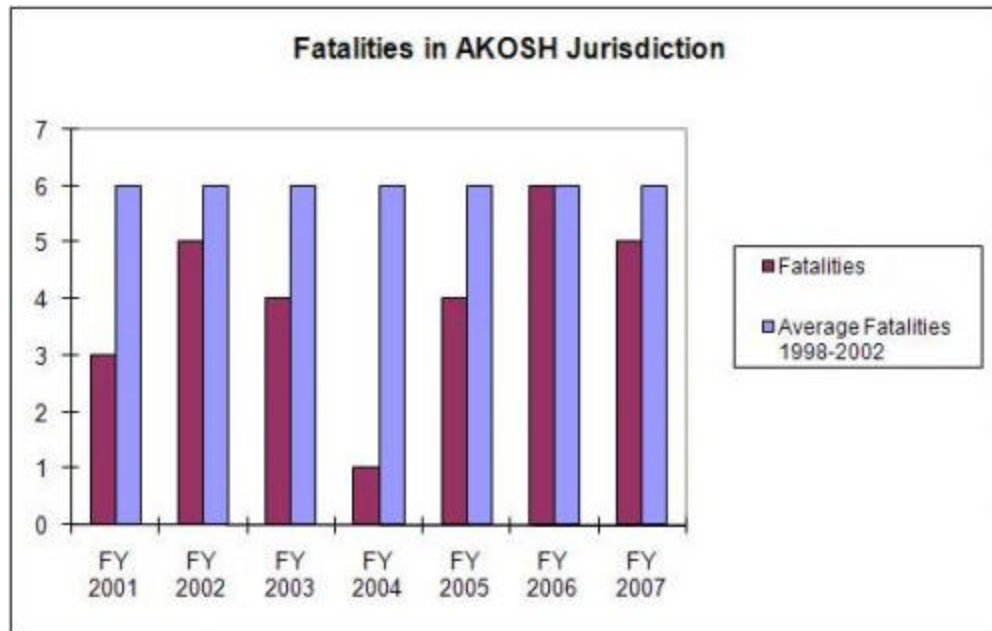
Analysis of results and challenges: Since FY01, the AKOSH program has reduced the lost workday illness and injury rate by 48% by targeting consultation and enforcement efforts on the causes of illnesses and injuries in industries with high incident rates. In FY03, the program initiated a five year strategic plan, which focused inspection, training and consultation efforts on high growth, high hazard industries (construction and transportation/warehousing) as evidenced by Worker's Compensation Insurance claim data.

To help put the rate into perspective, there were 6,941 recorded injuries with 309,382 employees in FY06 and 6,390 recorded injuries with 317,092 employees in FY07. Even though over 7,700 employees have been added to the Alaska economy over the last year, there were 551 fewer recorded injuries in FY07.

Target #2: Zero accidental workplace fatalities.

Measure #2: The number of accidental workplace fatalities compared to the previous year.

Workplace Fatalities



Analysis of results and challenges: The number of workplace fatalities will be calculated using fatality reports submitted to the Alaska Occupational Safety and Health Administration (AKOSH). AKOSH will reduce workplace fatalities through consultation and enforcement inspections by targeting industries with high fatality rates and eliminating the most prevalent causes of fatalities.

Due to the relatively small number of workplace fatalities and the annual fluctuations, it is useful to compare the current number of fatalities to the average number of fatalities over a 5 year period. The benchmark is from 1998-2002 when there was an average of six fatalities per year. The number of fatalities in 2007 decreased from six to five and the rolling five year average from 2003 through 2007 is 4 per year, for a 20% reduction from the benchmark period. Of note, through targeted inspections and consultations in the construction industry the number of fatalities was reduced from three in FY 2006 to one in FY 2007.

C1: Strategy - Improve voluntary compliance with Occupational Safety and Health (OSH) requirements.

Target #1: Increase the number of Voluntary Protection Program (VPP) and Safety & Health Achievement Recognition Program (SHARP) sites in Alaska by 10% per year.

Measure #1: The percentage change in the number of VPP and SHARP sites in comparison to the previous year.

VPP and SHARP Sites

Fiscal Year	VPP Sites	SHARP Sites	Total Sites	%Change
FY 2001	3	0	3	
FY 2002	3	6	9	200%
FY 2003	4	9	13	44%
FY 2004	6	11	17	31%
FY 2005	6	11	17	0
FY 2006	11	12	23	35%
FY 2007	12	14	26	13%

Analysis of results and challenges: The federal SHARP Program targets smaller employers with less than 250 employees at a site and less than 500 employees total. These smaller employers have a difficult time making the commitment necessary to participate in SHARP. In addition, one benefit of participation, deferred enforcement inspections for 18 months as set in federal regulations, is not significant when Alaska statutes provide a 12 month deferral for any company that receives a comprehensive consultation visit and corrects all hazards. The federal VPP Program is designed for larger employers with 500+ employees. Qualification for VPP is time consuming and Alaska has relatively few employers large enough to qualify.

SHARP and VPP participation will be improved by promoting the benefits of the program to businesses. Consultants will work in partnership with businesses to assist with the development, implementation and maintenance of occupational safety and health programs and performance necessary to meet VPP and SHARP participation standards. The benefits to employers to participate in these programs are reductions in injuries and illnesses, a reduction in operational costs and an increase in productivity.

Prioritization of Agency Programs

(Statutory Reference AS 37.07.050(a)(13))

AS 37.07.050(a)(13) requires an agency to prioritize its activities, and a division is included in the definition of agency in AS 37.07.120(1). The department has interpreted this as allowing prioritization of its programs at the division level.

Department Programs Prioritized Within Each Division

COMMISSIONER'S OFFICE

1. Commissioner's Office
2. Alaska Labor Relations Agency
3. Office of Citizenship Assistance

ADMINISTRATIVE SERVICES DIVISION

1. Management Services
2. Labor Market Information
3. Data Processing
4. Human Resources

5. Leasing

BUSINESS PARTNERSHIPS DIVISION

1. Business Services
2. AVTEC
3. AVTEC Facilities Maintenance
4. Alaska Workforce Investment Board
5. Kotzebue Technical Center
6. Northwest Alaska Career and Technical Center
7. Yuut Eliitnaurviat People's Learning Center
8. Southwest Alaska Vocational and Education Center

DIVISION OF VOCATIONAL REHABILITATION

1. Client Services
2. Independent Living Rehabilitation
3. Americans with Disabilities Act
4. Vocational Rehabilitation Administration
5. Special Projects
6. Disability Determination
7. Assistive Technology

EMPLOYMENT SECURITY DIVISION

1. Unemployment Insurance
2. Wagner-Peyser
3. Reemployment Services
4. Workforce Investment Act Training Services
5. Veterans Employment and Training
6. Trade Assistance Act/National Emergency Grant
7. Adult Basic Education
8. General Educational Development (GED) Testing
9. Senior Community Services Employment Program
10. Work Services
11. Welfare-to-Work Case Management
12. Work Opportunity Tax Credit
13. Foreign Labor Certification

LABOR STANDARDS & SAFETY DIVISION

1. Wage & Hour Title 36 Employment Preference Enforcement
2. OSH Enforce/Compliance Safety & Health
3. Mechanical Inspection Boiler Inspection
4. OSH Consult/Train Safety & Health
5. Mechanical Inspection Contractor Licensing
6. Wage & Hour Child Labor Enforcement
7. Wage & Hour Title 23 Wage Claim Enforcement
8. Mechanical Inspection Certificate of Fitness (Electrical & Plumbing)
9. Wage & Hour Title 36 Prevailing Wage Enforcement
10. Mechanical Inspection Elevator Inspection
11. Mechanical Inspection Electrical Inspection
12. Mechanical Inspection Plumbing Inspection
13. Mechanical Inspection Hazardous Materials Certificate of Fitness

14. Mechanical Inspection Boiler Operator Licensing
15. Mechanical Inspection Amusement Ride Inspection
16. OSH Joint Pipeline Office
17. Alaska Safety Advisory Council

WORKERS' COMPENSATION DIVISION

1. Enforcement of employers' workers' compensation liability insurance requirements
2. Administration of employers' workers' compensation liability self-insurance program
3. Investigation and enforcement of anti-fraud provisions of Act
4. Construction and maintenance of accurate and complete program databases
5. Dissemination of information to participants concerning Workers' Compensation Act rights, obligations, and procedures
6. Informal (mediations/prehearing conferences), formal (hearings), and initial appellate (by Worker's Compensation Appeals Commission) resolution of disputes
7. Audit of compensation reports and payments for accuracy and timeliness
8. Preparation of records of, and participation in, appeals from AWCB decisions
9. Archival and destruction of records
10. Administration of Commercial Fishermen's Fund
11. Administration of Second Injury Fund
12. Administration of Workers' Compensation Benefits Guaranty Fund
13. Tri-annual recalculation of COLA ratios for out-of-state benefit recipients

Component: Alaska Labor Relations Agency

Contribution to Department's Mission

The Alaska Labor Relations Agency contributes to the department's mission of full employment by facilitating cooperative relations between Alaska's public employers and the labor organizations that represent public employees.

Core Services

Enforces the Public Employment Relations Act (PERA) and the labor relations provisions of the Alaska Railroad Corporation Act (ARCA). The Agency promotes cooperative relations between government and its employees and protects the public's interest in the provision of uninterrupted government services.

Maintains statewide jurisdiction over public employers that include the State of Alaska, political subdivisions, public school districts, the University of Alaska, and the Alaska Railroad. Jurisdiction extends to labor organizations that represent public employees.

Enforces terms of collective bargaining agreements, conducts elections on union representation for collective bargaining, and investigates and decides unfair labor practice complaints, unit composition disputes, representation and other issues.

End Result	Strategies to Achieve End Result
<p>A: Resolve issues between Alaska's public employers and public employees.</p> <p><u>Target #1:</u> Reduce the total number of open cases. <u>Measure #1:</u> Open caseload at end of reporting period.</p>	<p>A1: Maintain a timely representation election process.</p> <p><u>Target #1:</u> Complete 90% of representation elections within 100 days, except in extenuating circumstances. <u>Measure #1:</u> Percentage of representation elections completed within 100 days.</p> <p>A2: Operate a timely and efficient adjudications program.</p> <p><u>Target #1:</u> Issue 90% of decisions and orders within 90 days of record closure. <u>Measure #1:</u> Percentage of decisions and orders issued within 90 days of record closure.</p>

Major Activities to Advance Strategies

- Encourage settlement of disputes.
- Increase staff productivity and efficiency.
- Improve communications with Board members to enhance efficiency and productivity.

FY2009 Resources Allocated to Achieve Results

FY2009 Component Budget: \$460,500

Personnel:

Full time	4
Part time	0
Total	4

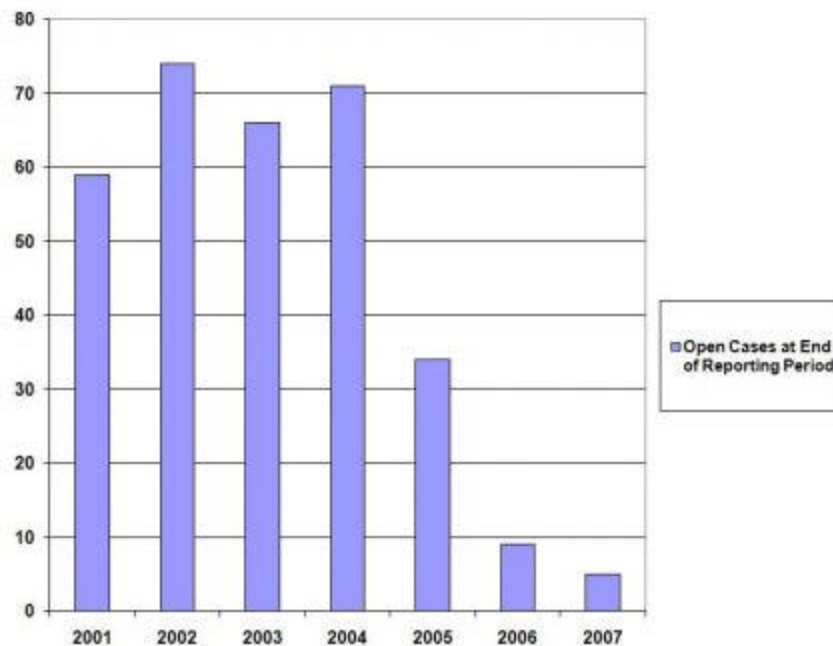
Performance Measure Detail

A: Result - Resolve issues between Alaska's public employers and public employees.

Target #1: Reduce the total number of open cases.

Measure #1: Open caseload at end of reporting period.

Yearly Change in Open Caseload



Open Caseload at End of Reporting Period

Year	Cases Filed	Cases Closed	Open Cases
2001			56
2002	52	49	59
2002	71	56	74
2003	62	70	66
2004	64	59	71
2005	116	153	34
2006	51	76	9
2007	13	17	5

Analysis of results and challenges: The average number of open cases for 2007 maintains a declining trend. This is due to a combination of the parties filing fewer cases than in past years, and the continuing efforts by the Agency to resolve the overall number of open cases. For the past three years, the Agency has

made significant progress in resolving the overall number of open cases in a timely and efficient manner. A potential challenge in the approaching months will be to achieve timely resolution of disputes that may arise from State and school district contract negotiations.

The Agency's annual report contains a breakdown of these numbers.

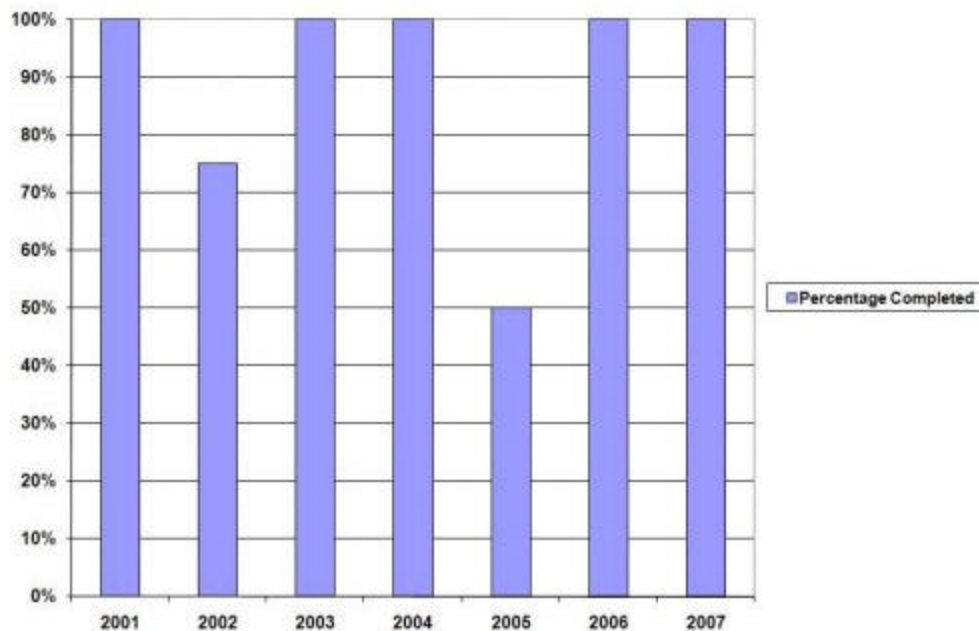
2007 data is through August 31, 2007.

A1: Strategy - Maintain a timely representation election process.

Target #1: Complete 90% of representation elections within 100 days, except in extenuating circumstances.

Measure #1: Percentage of representation elections completed within 100 days.

Percentage of Representation Elections Completed Within 100 Days



Analysis of results and challenges: Although the Agency received several inquiries in 2007, there is currently only one pending representation/decertification (RC/RD) petition. This RC/RD petition was filed by Alaska Correctional Officers Association and proposes to sever State Probation Officers currently represented by the Alaska State Employees Association (ASEA) and include them in the Alaska Correctional Officers Association unit with Correctional Officers. ASEA objected to this petition and a hearing was held in Anchorage on August 23 and 24, 2007. The Alaska Labor Relations Agency Board will be issuing a decision and order and will determine if this petition should proceed to election. If this petition goes forward, a challenge would be to conduct the statewide election in a timely and cost effective manner.

A breakdown of elections conducted is published in the Agency's annual report.

2007 data is through August 31, 2007.

A2: Strategy - Operate a timely and efficient adjudications program.

Target #1: Issue 90% of decisions and orders within 90 days of record closure.

Measure #1: Percentage of decisions and orders issued within 90 days of record closure.

Percentage of Cases Completed Within 90 Days of Record Closure

Year	YTD
2001	40%
2002	25%
2003	0%
2004	50%
2005	100%
2006	43%
2007	100%

Analysis of results and challenges: The Agency anticipates issuing decisions within 90 days of record closure for 2007. The percentage of cases completed within 90 days of record closure was lower in 2006 than past years, due in part to time spent working on a regulations project, time prioritized to update other aspects of the Agency caseload, and a slight increase in the number of hearings. At this time, the decision and order caseload is current.

The Agency's annual report contains a breakdown of these numbers.

2007 data is through August 31, 2007.

Administrative Services Results Delivery Unit

Contribution to Department's Mission

The component contributes to the department's mission by providing support services to department programs.

Core Services

The Management Services component provides financial support services; unemployment insurance trust fund accounting; procurement, budget planning, monitoring and reporting; and office space management to department programs.

The Human Resources component consolidates and accounts for the costs of human resource and personnel services provided to this department by the Department of Administration.

The Leasing component consolidates and accounts for the costs of all space leases for the department.

The Data Processing component provides mainframe and desktop programming, database and security administration and network services installations and support.

The Labor Market Information component collects, analyses and publishes information on employment, unemployment, wage rates, occupational injuries, population estimates and forecasts, and other economic and demographic information, and will act as the official liaison with the federal Census Bureau for all Census 2010 projects.

End Result	Strategies to Achieve End Result
A: Maximize customer satisfaction with Labor Market Information services <u>Target #1:</u> 90% of survey respondents rate Labor Market Information (LMI) services as 3 or better on a scale of 1 to 5. <u>Measure #1:</u> Percent and number of customers rating LMI services as 3 or better.	A1: Publish all required reports on time. <u>Target #1:</u> Meet or exceed all Bureau of Labor Statistics (BLS) program deliverable deadlines. <u>Measure #1:</u> Percentage of BLS deliverable deadlines met. <u>Target #2:</u> Meet or exceed all state required report deadlines. <u>Measure #2:</u> Percent of state reporting deadlines met. A2: Maximize the accuracy of information produced. <u>Target #1:</u> Meet or exceed the data quality standard set by BLS for the Current Employment Statistics program. <u>Measure #1:</u> Percent of Current Employment Statistics benchmark revision. <u>Target #2:</u> Meet or exceed an 85% response rate on the Quarterly Census of Employment and Wages annual refiling survey. <u>Measure #2:</u> Response rate on the Quarterly Census of Employment and Wages annual refiling survey.
End Result	Strategies to Achieve End Result
B: Improve customer satisfaction with Data	B1: Deliver data processing systems and services on

Processing services. <u>Target #1:</u> 90% of survey respondents rate Data Processing services as 3 or better on a scale of 1 to 5. <u>Measure #1:</u> Percent of customers rating Data Processing services 3 or better.	schedule and within budget. <u>Target #1:</u> All data processing projects produced on schedule. <u>Measure #1:</u> Percent of projects produced on schedule. <u>Target #2:</u> All data processing projects produced within budget. <u>Measure #2:</u> Percent of data processing projects produced within budget. <u>Target #3:</u> All production jobs completed successfully. <u>Measure #3:</u> Percentage of production jobs that complete successfully
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Major Activities to Advance Strategies

- | | |
|---|---|
| <ul style="list-style-type: none"> • Bill for Services. • Maintain accurate addresses. • Bill federal agencies promptly. • Submit grant applications timely. • Research available grant programs. • Properly account for revenue received. • Submit department budget accurately and timely. • Develop and present briefing documents. • Establish relationships with key legislators and staff. • Testify at legislative hearings. • Respond to legislative requests for information. | <ul style="list-style-type: none"> • Pay bills not involving discounts within 30 days. • Pay vendors offering discounts within the discount period. • Monitor bills to avoid duplicate payments. • Review internal operations and cross-departmental operations. • Manage all projects by trained project managers using formal and standardized methodology. • Enhance project management skills with a refresher course. • Project managers' skills will be enhanced by use in more smaller projects. • Publish reports. • Respond to information requests. • Data collection and surveys. • Analyze data. |
|---|---|

FY2009 Resources Allocated to Achieve Results

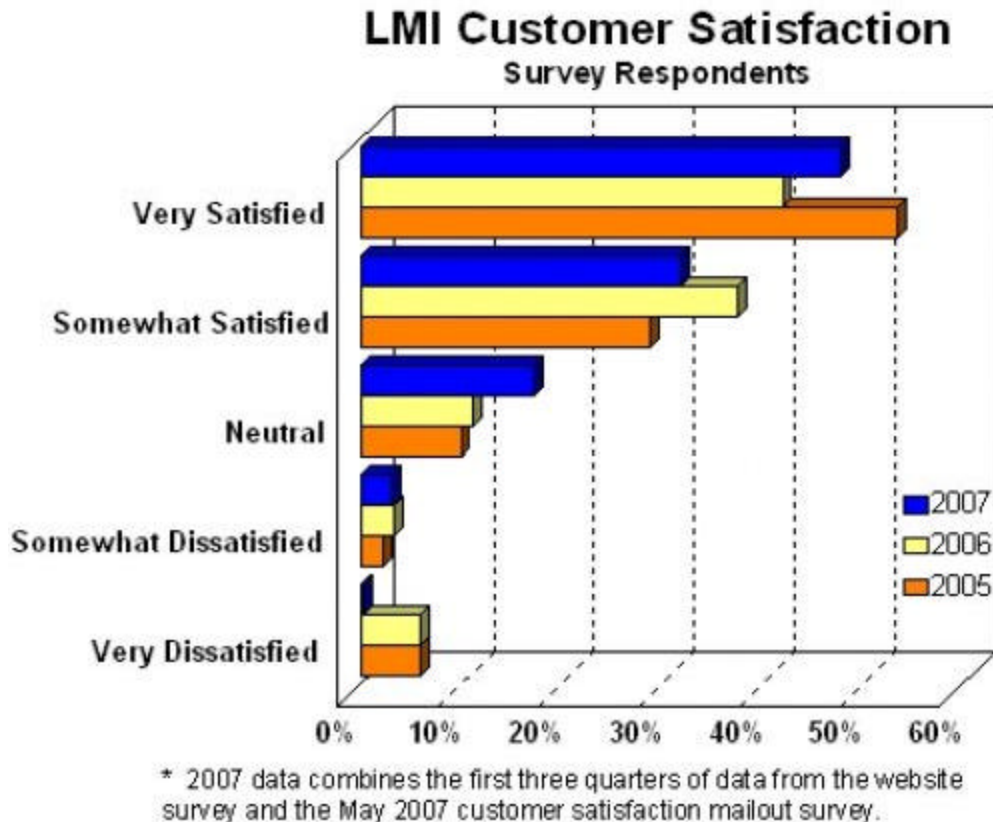
FY2009 Results Delivery Unit Budget: \$17,946,500	Personnel:	
	Full time	111
	Part time	1
	Total	112

Performance Measure Detail

A: Result - Maximize customer satisfaction with Labor Market Information services

Target #1: 90% of survey respondents rate Labor Market Information (LMI) services as 3 or better on a scale of 1 to 5.

Measure #1: Percent and number of customers rating LMI services as 3 or better.



LMI Customer Satisfaction

Year	YTD
2005	95%
2006	95%
2007	97%

Analysis of results and challenges: Research & Analysis (R&A) collects customer satisfaction data through both Web-based and mail surveys. The surveys have four main objectives: to determine customer awareness of products and services, to measure general satisfaction with R&A's information, to measure satisfaction with specific R&A products, and to solicit customer feedback with an eye toward better meeting customer needs.

During calendar year 2005, 372 users responded to the online survey; 322 responses were received during the first three quarters of 2006 (fourth quarter data are unavailable). Of those users, 95% in both 2005 and 2006 were neutral, satisfied or very satisfied.

In addition to the Web-collected survey, R&A conducted a mail survey in 2007; 149 users responded to the mail survey, 39 users completed the web-based survey. The combined Web- and mail-based surveys indicate that over 97% of R&A's customers are neutral, satisfied or very satisfied with the service received during the first three quarters of 2007.

The Web link illustrates the level of customer satisfaction in 2007 for 11 different criteria.

A1: Strategy - Publish all required reports on time.

Target #1: Meet or exceed all Bureau of Labor Statistics (BLS) program deliverable deadlines.

Measure #1: Percentage of BLS deliverable deadlines met.

Year	Quarter 1	Quarter 2	Quarter 3	Quarter 4
2003				100%
2004	98.1%	100%	100%	100%
2005	100%	100%	100%	100%
2006	100%	100%	100%	100%
2007	100%	100%	100%	NA

Analysis of results and challenges: The BLS grant in many cases specifies delivery dates. Recording submittal dates of BLS deliverables began October 1, 2003.

All BLS program deliverables were met during 2005, 2006 and the first three quarters of 2007.

Target #2: Meet or exceed all state required report deadlines.

Measure #2: Percent of state reporting deadlines met.

State Statutory Reports Submitted on Time

Year	Quarter 1	Quarter 2	Quarter 3	Quarter 4
2004	100%	100%	100%	100%
2005	100%	100%	100%	100%
2006	100%	100%	100%	100%
2007	100%	100%	100%	NA

Analysis of results and challenges: With the exception of statutorily specified reports, most state funded projects do not have specified delivery dates.

All statutorily-required reports were completed on time during 2004, 2005, 2006 and for the first three quarters of 2007.

A2: Strategy - Maximize the accuracy of information produced.

Target #1: Meet or exceed the data quality standard set by BLS for the Current Employment Statistics program.

Measure #1: Percent of Current Employment Statistics benchmark revision.

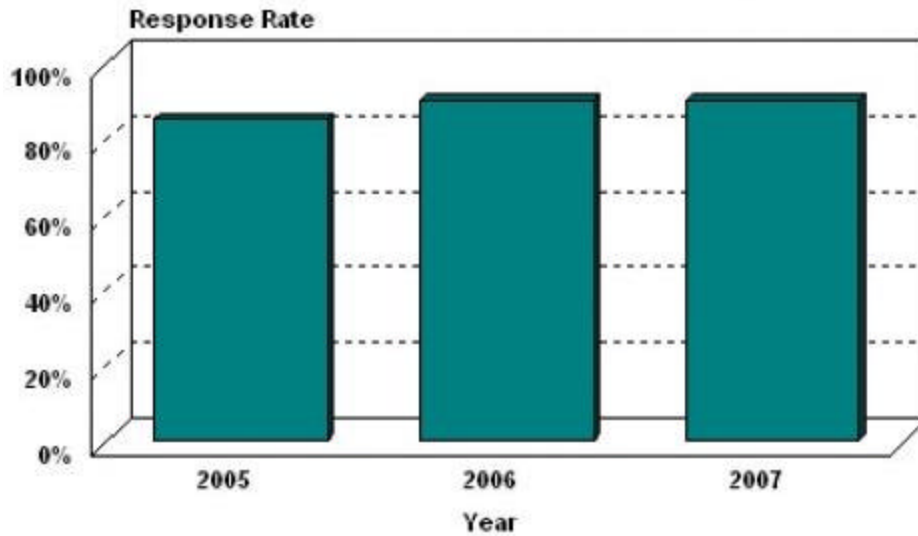
Year	Prelim Est	Bnchmrk Rev	YTD
1999	277,800	277,800	0.0%
2000	282,000	283,900	0.7%
2001	288,900	289,300	0.1%
2002	293,200	295,800	0.9%
2003	299,500	299,600	0.0%
2004	303,300	304,000	0.2%
2005	308,800	309,900	0.4%
2006	314,700	314,700	0.0%

Analysis of results and challenges: The Bureau of Labor Statistics' standard for relative error for an employment estimate of between 250,000 and 500,000 is 2.0%. Alaska's five year average annual benchmark revision for 2002 to 2006 was 0.3%.

Target #2: Meet or exceed an 85% response rate on the Quarterly Census of Employment and Wages annual refiling survey.

Measure #2: Response rate on the Quarterly Census of Employment and Wages annual refiling survey.

QCEW Annual Refiling Survey Response Rate

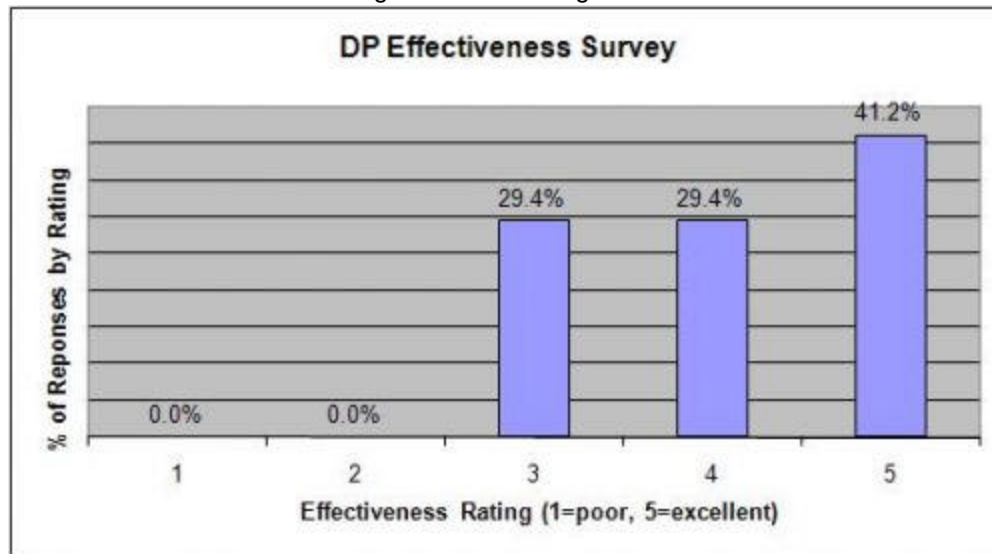


Analysis of results and challenges: Research & Analysis achieved an 85% response rate on the 2005 Quarterly Census of Employment and Wages annual employer refiling survey, a 90% response rate in 2006 and a 90% response rate in 2007.

B: Result - Improve customer satisfaction with Data Processing services.

Target #1: 90% of survey respondents rate Data Processing services as 3 or better on a scale of 1 to 5.

Measure #1: Percent of customers rating Data Processing services 3 or better.



Survey Results

Fiscal Year	response 2	response 3	response 4	response 5	YTD
FY 2006	0	6	14	11	31
FY 2007	0	7	12	15	34
FY 2008	0	10	10	14	34

Analysis of results and challenges: A survey of the agency program unit liaisons was conducted. The survey questions focus on how Data Processing helps the business units perform their missions.

B1: Strategy - Deliver data processing systems and services on schedule and within budget.

Target #1: All data processing projects produced on schedule.

Measure #1: Percent of projects produced on schedule.

% Project Schedule - Work Completed

Fiscal Year	Quarter 1	Quarter 2	Quarter 3	Quarter 4
FY 2005	83%	86%	71%	86%
FY 2006	75%	75%	80%	80%
FY 2007	100%	100%	100%	100%
FY 2008	100%	0	0	0

Recently our projects have been small. We have not had overruns in cost.

Analysis of results and challenges: A log of projects is kept which records the project start date, expected completion date and the project budget. Each quarter until the project is completed the project work completed and budget cost-to-date percentages are entered. This measure is based on the number of projects on schedule as compared to the total number of projects, including completed and suspended projects.

A project is considered on schedule if its percentage complete is consistent with the initial projected completion date or the modified projected completion date due to the board acceptance of a change to the project scope.

Projects that become suspended (work ceases due to lack of resources or funding) are considered on schedule if they were on schedule when work was suspended. When the project resumes, the initial schedule will be revised to reflect a new expected completion date.

Target #2: All data processing projects produced within budget.

Measure #2: Percent of data processing projects produced within budget.

% Project Budget Status

Fiscal Year	Quarter 1	Quarter 2	Quarter 3	Quarter 4
FY 2005	100%	86%	86%	100%
FY 2006	100%	100%	100%	100%
FY 2007	100%	100%	100%	100%
FY 2008	100%	0 0%	0 0%	0 0%

Analysis of results and challenges: A log of projects is kept which records the project start date, expected completion date and the project budget. Each quarter until the project is completed the project work completed and budget cost-to-date percentages are entered. This measure is based on the number of projects on schedule as compared to the total number of projects, including completed and suspended

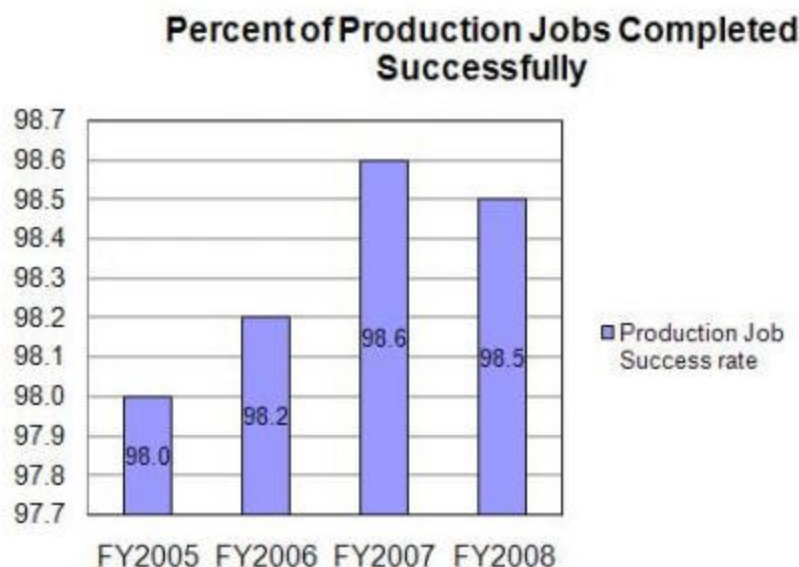
projects.

A project is considered within budget if the project cost to date is consistent with the initial projected budget or the modified budget due to the board acceptance of a change to the project scope.

Projects which become suspended are considered within budget if they were within budget when suspended.

Target #3: All production jobs completed successfully.

Measure #3: Percentage of production jobs that complete successfully



Production Job Success Rate

Fiscal Year	Quarter 1	Quarter 2	Quarter 3	Quarter 4	YTD
FY 2005	97.2%	98.1%	98.1%	98.7%	98.0%
FY 2006	98.3%	98.0%	98.4%	98.0%	98.2%
FY 2007	98.0%	98.5%	99.0%	98.8%	98.6%
FY 2008	98.5%	0 0%	0 0%	0 0%	98.5%

These numbers are normal for a relatively stable system.

Analysis of results and challenges: The table shows a stable environment. This good result is a continuation from the prior year. The cost of increasing performance would not be cost effective. Factors that could cause worsening performance in the future could include new development, loss of experienced staff, or loss of experienced staff at ETS (the operator of the mainframe).

An automated log of production jobs records each production job submitted and includes a completion code indicative of the job's success. Programs have been prepared to access the database and report quarterly the number of jobs submitted and the percentage that succeeded.

Workers' Compensation Results Delivery Unit

Contribution to Department's Mission

The Workers' Compensation RDU contributes to the department's mission of advancing employment opportunities. It does so by ensuring the efficient, fair and predictable delivery of indemnity, medical and vocational rehabilitation benefits intended to enable workers to return to work at a reasonable cost to employers.

Core Services

The Workers' Compensation Act established a Board to set policy and ensure proper implementation of the Act's benefits and requirements. The workers' compensation component is the Board's administrative arm. It maintains a comprehensive database, disseminates information, investigates complaints, informally resolves disputes, and aids the Board's provision of fair, formal hearings on disputed claims. It also assists the Board in enforcing the requirement that employers either insure or qualify to self-insure their workers' compensation liabilities.

The Workers' Compensation Act was amended in 2005 to create the Workers' Compensation Appeals Commission and the Benefits Guaranty Fund. The commission has jurisdiction to hear appeals from final decisions and orders of the Workers' Compensation Board. The Benefits Guaranty Fund will be used to pay benefits to workers whose employer was uninsured at the time of the injury.

The Fishermen's Fund component pays the costs of health care and medical treatment provided to Alaskan commercial fishermen, for occupational injuries or illnesses directly connected to operations on shore or in Alaska waters, when the costs are not covered by public or private insurance.

The Second Injury Fund component reduces financial disincentives to reemployment of disabled workers. This is done by limiting a subsequent employer's liability for compensation payable when a previously disabled employee sustains a second injury causing additional disability.

End Result	Strategies to Achieve End Result
A: All employers comply with AS 23.30, the Alaska Workers' Compensation Act <u>Target #1:</u> Zero uninsured employers. <u>Measure #1:</u> Percent of uninsured employers. <u>Target #2:</u> Zero uninsured employee injuries. <u>Measure #2:</u> Number of uninsured employee injuries.	A1: Quarterly review of cancelled Workers' Compensation policies. <u>Target #1:</u> Investigate 100% of Workers' Compensation policy cancellation notices. <u>Measure #1:</u> Number of employers reviewed that cancelled their workers' compensation insurance policy or had their policy expire. <u>Target #2:</u> Investigate employers suspected of illegally operating without workers' compensation insurance coverage. <u>Measure #2:</u> Number of employers discovered and brought into compliance.
End Result	Strategies to Achieve End Result
B: Improved delivery of efficient, low cost and legal informal and formal dispute resolution <u>Target #1:</u> Parties will have hearing scheduled within 90 days of notice of readiness. <u>Measure #1:</u> Number of days it takes from request of	B1: Shorten the time lag for workers' compensation hearings. <u>Target #1:</u> Settle disputed issues whenever possible during prehearing conferences. <u>Measure #1:</u> The number of disputed issues that are

<p>workers' compensation hearing to date of hearing.</p> <p><u>Target #2:</u> 100% of all written decisions will be issued within 30 days of record closure.</p> <p><u>Measure #2:</u> Percent of written decisions issued within 30 days.</p> <p><u>Target #3:</u> Reduce the total number of open cases at the Appeals Commission</p> <p><u>Measure #3:</u> Open caseload at the end of the reporting period</p>	<p>settled at prehearing conferences and don't require a formal hearing.</p> <p>B2: Operate a timely and efficient appeals program</p> <p><u>Target #1:</u> Issue 100% of decisions within 90 days of hearing</p> <p><u>Measure #1:</u> Number of decisions issued within 90 days of hearing</p>
End Result	Strategies to Achieve End Result
<p>C: More Alaskans Available for Jobs:</p> <p><u>Target #1:</u> Requests for reimbursement from the Fishermen's Fund will be paid within 20 days of receipt.</p> <p><u>Measure #1:</u> The number of days between the receipt of a Fishermen's Fund claim and payment.</p> <p><u>Target #2:</u> 20% of injured workers' eligible for reemployment benefits complete a viable retraining plan.</p> <p><u>Measure #2:</u> Percent of injured workers, who are eligible for reemployment benefits, who complete a retraining plan.</p>	<p>C1: Reduce length of time it takes to get Fishermen's Fund Council's approval of claims.</p> <p><u>Target #1:</u> Reduce number of days it takes to get Council's approval of claims by 25%.</p> <p><u>Measure #1:</u> Number of days to get Council's approval of claims.</p> <p>C2: Reduce the number of training plans that need to be returned to the rehabilitation specialists for revisions.</p> <p><u>Target #1:</u> Reduce the number of retraining plans that are returned to the rehabilitation specialists by 20%.</p> <p><u>Measure #1:</u> Percent of retraining plans returned to the rehabilitation specialists.</p> <p>C3: Quarterly review of status of cases pending with rehabilitation specialists.</p> <p><u>Target #1:</u> Review of all pending retraining plans will be performed quarterly.</p> <p><u>Measure #1:</u> Number of retraining plans reviewed each quarter.</p>

Major Activities to Advance Strategies

- Improve hearing officer/workers' compensation officer mediation skills.
- Increase efficiency of dispute resolution procedures.
- Continue development of electronic data interface system and improve reporting/identification of potential uninsured employers.
- Expand work of fraud investigations unit.

FY2009 Resources Allocated to Achieve Results

FY2009 Results Delivery Unit Budget: \$11,197,800

Personnel:

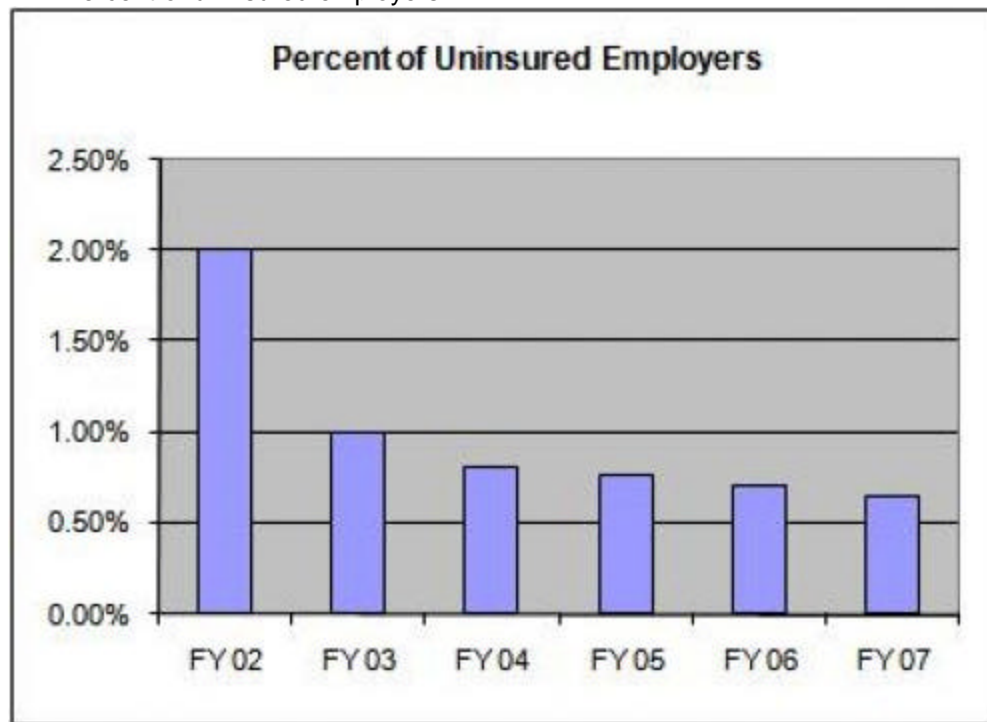
Full time	54
Part time	1
Total	55

Performance Measure Detail

A: Result - All employers comply with AS 23.30, the Alaska Workers' Compensation Act

Target #1: Zero uninsured employers.

Measure #1: Percent of uninsured employers.

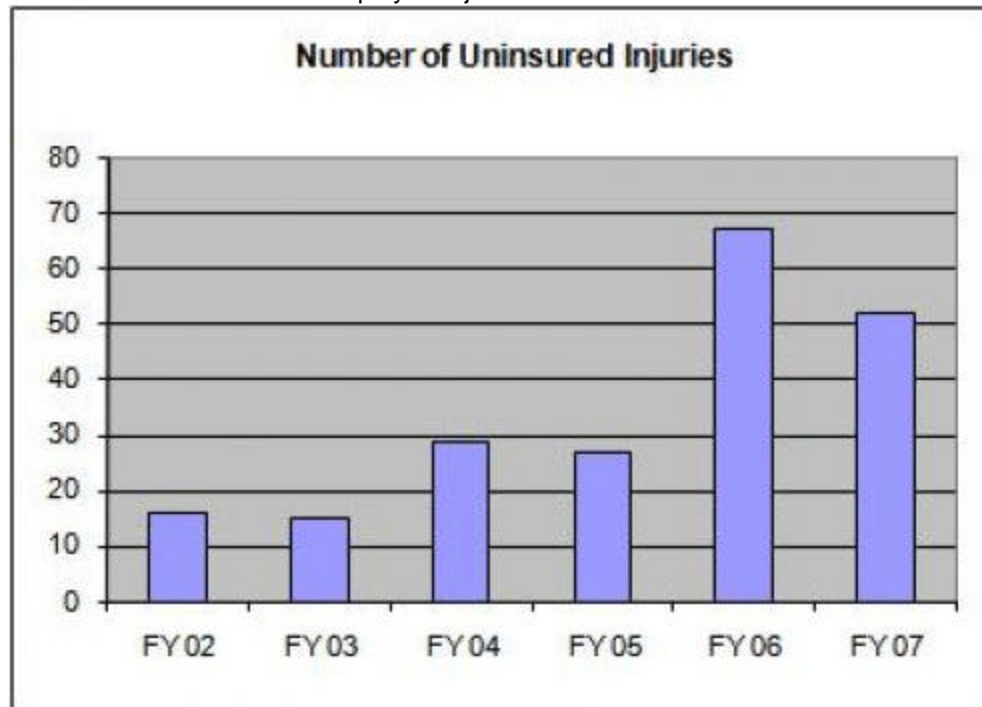


Analysis of results and challenges: The target for this measurement is zero uninsured employers. This target is set at zero because the law requires all employers to cover their employees under the Workers' Compensation Act. The percent of employers who were found to be uninsured has markedly declined since 2002. With the institution of a full fraud investigation section at the end of FY 06, the division is no longer limited to a single investigator to review notices of cancelled or expired Workers' Compensation insurance policies to verify if they have been replaced or renewed.

In FY 07 the Fraud Investigation section was able to expand their search for uninsured employers using on-site visits, information from informants, searching newspapers, etc. (in addition to reviewing the database of cancelled workers' compensation insurance policies). SB 130 amended the law (effective 11/05) to allow the Workers' Compensation Board to access penalties against employers for failure to insure. The fraud investigation section compiled files on employers and Board hearings were held on 95 of those cases resulting in penalties assessed against 67 employers for failure to insure their workers.

Target #2: Zero uninsured employee injuries.

Measure #2: Number of uninsured employee injuries.



Number & Percent of Uninsured Injuries to Total Workforce

Fiscal Year	Injuries	Workforce	YTD
FY 2002	16	275,476	.0058%
FY 2003	15	283,444	.0053%
FY 2004	29	282,400	.0103%
FY 2005	27	287,707	.0094%
FY 2006	67	294,744	.0227%
FY 2007	52	301,900	.0172%

Analysis of results and challenges: The number of uninsured injuries decreased slightly in FY 07. Our increased presence reviewing coverage data and on-site visits seems to have reduced the number of uninsured employers, simultaneously reducing the number of uninsured injuries reported.

A1: Strategy - Quarterly review of cancelled Workers' Compensation policies.

Target #1: Investigate 100% of Workers' Compensation policy cancellation notices.

Measure #1: Number of employers reviewed that cancelled their workers' compensation insurance policy or had their policy expire.

Number of Cancelled Policies Reviewed

Fiscal Year	YTD
FY 2003	4,470
FY 2004	3,895
FY 2005	3,620
FY 2006	2,400
FY 2007	3,409

Analysis of results and challenges: The division reviewed 3,409 cancelled policies in FY 07 and an additional 577 were reviewed based on on-site visits, information from informants, searching newspapers, etc. Files are opened on all cases where an employer cannot provide proof of current coverage, unless they can verify they are no longer using employees or have gone out of business. In FY 07, 641 cases were opened. Those businesses that do not supply satisfactory evidence of coverage or of no longer needing coverage are brought before the Workers' Compensation Board. A total of 95 cases were brought before the Board in FY 07; many are still pending awaiting additional information and will be brought before the Board as necessary.

Target #2: Investigate employers suspected of illegally operating without workers' compensation insurance coverage.

Measure #2: Number of employers discovered and brought into compliance.

Number of Employers Brought into Compliance with Workers' Compensation Act

Fiscal Year	YTD
FY 2002	129
FY 2003	189
FY 2004	158
FY 2005	141
FY 2006	146
FY 2007	126

Analysis of results and challenges: FY 07 marked the first year the Division had a fully staffed fraud investigation section to conduct investigations, bring actions against uninsured employers before the Workers' Compensation Board, and present evidence and testimony which can lead to stop orders, fines, and criminal prosecution through the Department of Law.

The increased staff allowed us to expand the methods of locating businesses that don't provide workers' compensation insurance for their employees. Almost 600 businesses were reviewed using information from informants, on-site visits and monitoring new businesses through newspapers. We attribute the declining numbers of employers discovered to the increased detection efforts and program visibility having the desired effect of deterring businesses from operating without the required insurance coverage.

B: Result - Improved delivery of efficient, low cost and legal informal and formal dispute resolution

Target #1: Parties will have hearing scheduled within 90 days of notice of readiness.

Measure #1: Number of days it takes from request of workers' compensation hearing to date of hearing.

Number of Days Between Request for Hearing & Hearing Date

Fiscal Year	YTD
FY 2002	175
FY 2003	90
FY 2004	90
FY 2005	117
FY 2006	100
FY 2007	89

Analysis of results and challenges: AS 23.30.110(c) provides for a hearing to be scheduled within 60 days of request if not opposed by a party. If an opposition is filed, as they are in the vast majority of cases, a prehearing conference must be held within 30 days to set a hearing. If the hearing is scheduled within 60 days from the prehearing conference, 90 days to set a hearing from the date of request is usually reasonable.

We were able to meet our 90-day goal in FY 07.

Target #2: 100% of all written decisions will be issued within 30 days of record closure.

Measure #2: Percent of written decisions issued within 30 days.

Percent of Written Decisions Issued in 30 Days

Fiscal Year	YTD
FY 2005	92.2%
FY 2006	98.8%
FY 2007	94.4%

Analysis of results and challenges: FY05 established the baseline for this target. The Workers' Compensation Board hears claims regarding disputes of entitlement to benefits under the Workers' Compensation Act. After the hearing the division has 30 days to complete its work and write a formal decision and order based on the Board's determination. Those determinations will either allow or disallow an injured worker various benefits under the Workers' Compensation Act. In FY 07 we saw a slight decrease in the number of decisions written within the 30 days as we experienced an increase in the number of hearings held which impacted our ability to issue decisions.

Target #3: Reduce the total number of open cases at the Appeals Commission

Measure #3: Open caseload at the end of the reporting period

Appeals Commission

Fiscal Year	# received	# decisions	# open
FY 2006	26	13	13
FY 2007	48	26	35

The Commission was sworn in on 11/23/05. Data for FY 06 is for a partial year.

Analysis of results and challenges: The average clearance time (from filing an appeal to final order of the Commission) for all cases filed in calendar year 2006 was 296 days. The Commission believes they will be able to 'close' approximately 96% of their cases within 12 months of filing an appeal.

B1: Strategy - Shorten the time lag for workers' compensation hearings.

Target #1: Settle disputed issues whenever possible during prehearing conferences.

Measure #1: The number of disputed issues that are settled at prehearing conferences and don't require a formal hearing.

Number of Disputed Issues Settled & Resolved

Fiscal Year	# Prehearings	# Settled	% Settled
FY 2001	2,582	636	25%
FY 2002	2,785	630	23%
FY 2003	2,600	818	31%
FY 2004	2,695	811	30%
FY 2005	2,830	1,165	41%
FY 2006	2,213	1,049	47%
FY 2007	2,320	1,056	46%

Analysis of results and challenges: A number of issues are settled or otherwise resolved prior to a hearing. It is the goal of the division to assist parties to reach agreement on issues prior to the need for a formal hearing allowing for speedier resolutions of issues. The number of issues settled without the need of a formal hearing has been fairly consistent the last two years.

B2: Strategy - Operate a timely and efficient appeals program**Target #1:** Issue 100% of decisions within 90 days of hearing**Measure #1:** Number of decisions issued within 90 days of hearing**Number of Decisions Written by the Commission**

Year	# of Decisions Written	Ave # days
2006	13	25
2007	26	55

Analysis of results and challenges: The Workers' Compensation Appeals Commission has seen their workload double but has managed to maintain an average decision time of 55 days of the cases filed with them. In addition to writing decisions within two months of the hearing, the Commission has been able to close 96% of all cases filed with the Commission within 12 months of receiving the case.

C: Result - More Alaskans Available for Jobs:**Target #1:** Requests for reimbursement from the Fishermen's Fund will be paid within 20 days of receipt.**Measure #1:** The number of days between the receipt of a Fishermen's Fund claim and payment.**Number of Days to Pay Claim**

Fiscal Year	# of days	# of claims paid
FY 2002	42	810
FY 2003	36	696
FY 2004	33	814
FY 2005	35	807
FY 2006	17	781
FY 2007	20	686

Analysis of results and challenges: The measurement for this target is the number of days between the filing of a Fishermen's Fund claim and the date of payment. The goal is to pay claims within 20 days. Ensuring providers are paid promptly will allow fishermen to receive treatment and they will not neglect care from a lack of funds. This will aid a fisherman's recovery so they can return to work as soon as possible.

The Fishermen's Fund claims management computer system was implemented in 2005 and allows us to reduce the length of time it takes to process claims. The number of days increased slightly from FY 06 but we were still able to meet our target in FY 07.

Target #2: 20% of injured workers' eligible for reemployment benefits complete a viable retraining plan.**Measure #2:** Percent of injured workers, who are eligible for reemployment benefits, who complete a retraining plan.**Percent of Eligible Workers Completing a Retraining Plan**

Fiscal Year	# Eligible	# Completing Plan	% Completing
FY 2001	430	15	3.5%
FY 2002	457	25	5.5%
FY 2003	414	16	3.9%
FY 2004	420	18	4.3%
FY 2005	343	37	10.8%
FY 2006	298	56	18.8%
FY 2007	286	61	21.3%

Analysis of results and challenges: The reemployment benefits section of the Workers' Compensation Act

provides the opportunity for injured workers, who can't return to work due to their injuries, to volunteer for retraining benefits. The measurement for the reemployment benefits program is the percent of injured workers who complete a retraining plan compared to the number of injured workers who are found eligible for retraining benefits.

The division set a target participation level of 20% and met that goal in FY 07. In a follow-up survey we discovered 61% of participants had found work in their field of retraining or in a related field.

C1: Strategy - Reduce length of time it takes to get Fishermen's Fund Council's approval of claims.

Target #1: Reduce number of days it takes to get Council's approval of claims by 25%.

Measure #1: Number of days to get Council's approval of claims.

Average Number of Days to get Fishermen's Fund Council's Approval

Year	YTD
2004	235
2005	165
2006	98
2007	115

Analysis of results and challenges: Approximately 10% of claims need to be approved by the Fishermen's Fund Council before they can be paid. In the past these delays have been considerable as the Council met only twice a year. Work to develop a secure website that will allow the Council to meet over the web, review the files and make determinations on a more frequent basis has been delayed due to data processing staffing issues. However, we were able to make several decisions throughout the year using email. The goal is to get the average number of days down to approximately 75.

C2: Strategy - Reduce the number of training plans that need to be returned to the rehabilitation specialists for revisions.

Target #1: Reduce the number of retraining plans that are returned to the rehabilitation specialists by 20%.

Measure #1: Percent of retraining plans returned to the rehabilitation specialists.

Percent of Retraining Plans Returned to Specialists

Fiscal Year	# Plans Submitted	# of Plans Returned	Percent Returned
FY 2005	105	47	45%
FY 2006	76	44	57%
FY 2007	72	41	57%

2005 established the baseline.

Analysis of results and challenges: Many retraining plans need to be returned to the rehabilitation specialists because the plans do not meet the requirements of the law. The Rehabilitation Benefits Administrator has held monthly meetings with the rehabilitation specialists in the Anchorage area. However, due to a lack of staffing we were unable to develop an electronic newsletter which will be used to provide information on how the rehabilitation specialists can improve their initial submissions. Because the faster an injured worker begins a retraining plan, the better chance they have of successfully completing the plan and returning to work, we will continue to work on developing a newsletter to train rehabilitation specialists on the requirements for rehabilitation plans under the workers' compensation act. The goal is to reduce the returned plans to approximately 10%.

C3: Strategy - Quarterly review of status of cases pending with rehabilitation specialists.

Target #1: Review of all pending retraining plans will be performed quarterly.

Measure #1: Number of retraining plans reviewed each quarter.

Analysis of results and challenges: This is a new measure. It was our intent to hire an additional employee in the Rehabilitation section to aid with this measure. Although the position was filled in December 2006, it was necessary to transfer the employee to the adjudication section due to a serious employee shortage in that section and action on this measure wasn't able to be taken in FY 07. We believe this strategy will aid in the completion of retraining plans, thereby getting injured workers back to work, and so will work towards its implementation during FY 08.

Labor Standards and Safety Results Delivery Unit

Contribution to Department's Mission

Labor Standards and Safety contributes to the Department's mission by providing safe and legal working conditions.

Core Services

Occupational safety and health law enforcement, training and consultation.

Wage law enforcement and training.

Prevailing wage and Alaska resident hire law enforcement and training.

Electrical and mechanical code compliance inspections and training.

Certification of electricians, power linemen, plumbers, blasters, painters and asbestos workers.

End Result	Strategies to Achieve End Result
A: Eliminate workplace fatalities caused by circumstances that are under Alaska Occupational Safety and Health (AKOSH) jurisdiction. <u>Target #1:</u> Zero accidental workplace fatalities. <u>Measure #1:</u> The number of accidental workplace fatalities compared to the previous year.	A1: Reduce the number of worker fatalities under AKOSH jurisdiction by focusing compliance, consultation and outreach efforts on the causes of fatalities. <u>Target #1:</u> 3% reduction in the number of workplace fatalities per 100,000 employees compared to the previous 5 year average. <u>Measure #1:</u> The change in the rate of workplace fatalities per 100,000 employees compared to the average for the previous 5 years.
End Result	Strategies to Achieve End Result
B: Reduce the number of worker lost time injuries and illnesses in the workplace that are within AKOSH jurisdiction. <u>Target #1:</u> 2% per year reduction in the rate of workplace lost time injuries and illnesses per 100 employees. <u>Measure #1:</u> The rate of workplace lost time injuries and illnesses per 100 employees compared to the previous year.	B1: Reduce the number of lost time worker injuries/ illnesses in the construction and transportation industries by focusing on causes. <u>Target #1:</u> 3% reduction per year in lost time injuries and illnesses per 100 employees in the construction and transportation industries. <u>Measure #1:</u> The change in the rate of lost time injuries and illnesses per 100 employees in the construction and transportation industries compared to the previous year. B2: Improve voluntary compliance with Occupational Safety and Health requirements. <u>Target #1:</u> Increase the number of Voluntary Protection Program (VPP) and Safety & Health Achievement Recognition Program (SHARP) sites in Alaska by 10% per year. <u>Measure #1:</u> The percentage change in the number of VPP and SHARP sites in comparison to the previous

	year.
End Result	Strategies to Achieve End Result
<p>C: Reduce hazards to life and property posed by unsafe boilers/pressure vessels, plumbing and electrical work and elevators within Mechanical Inspection's jurisdiction.</p> <p><u>Target #1:</u> Zero loss of life or property caused by unsafe boilers/pressure vessels, plumbing and electrical work and elevators.</p> <p><u>Measure #1:</u> Total number of boiler/pressure vessel, plumbing, electrical or elevator incidents resulting in loss of life or property.</p>	<p>C1: Ensure boilers and pressure vessels are maintained and operating to code through timely inspections.</p> <p><u>Target #1:</u> Reduce boiler inspection backlog by 33% per year.</p> <p><u>Measure #1:</u> Annual percentage change in the number of overdue inspections in comparison to the previous year.</p> <p><u>Target #2:</u> 80% of boiler and pressure vessel code violations corrected upon inspection.</p> <p><u>Measure #2:</u> Percentage of boiler and pressure vessel violations corrected compared to the total number detected.</p> <p>C2: Eliminate electrical and plumbing code violations.</p> <p><u>Target #1:</u> 80% correction of electrical code violations identified through inspection.</p> <p><u>Measure #1:</u> Percentage of electrical code violations corrected compared to the total number detected.</p> <p><u>Target #2:</u> 80% correction of plumbing code violations identified upon inspection.</p> <p><u>Measure #2:</u> Percentage of plumbing code violations corrected compared to the total number detected.</p> <p>C3: Eliminate elevator code violations.</p> <p><u>Target #1:</u> 80% correction of code violations identified through inspection.</p> <p><u>Measure #1:</u> Percentage of code violations corrected compared to the total number detected.</p>
End Result	Strategies to Achieve End Result
<p>D: Full compliance with Alaska's Employment Preference Act (AS 36.10).</p> <p><u>Target #1:</u> 20% reduction in ratio of Alaska Employment Preference Act violations to on-site inspections compared to the previous year.</p> <p><u>Measure #1:</u> Percentage change in the ratio of violations to on-site inspections compared to the previous year.</p>	<p>D1: Reduce the number of Alaska resident hire violations.</p> <p><u>Target #1:</u> Check 60% of certified payrolls for compliance with Alaska resident hire requirements.</p> <p><u>Measure #1:</u> Percentage of certified payrolls checked for compliance.</p>
End Result	Strategies to Achieve End Result
<p>E: Provide legal employment conditions within the Wage and Hour Administration's jurisdiction.</p> <p><u>Target #1:</u> Maintain average wage claim resolution time</p>	<p>E1: Reduce wage claims by improving employer education efforts.</p> <p><u>Target #1:</u> Increase the number of employer briefings by</p>

to 6 months or less.

Measure #1: Average claim resolution time.

5% from the previous year.

Measure #1: The percentage change in the total number of employer briefings in comparison to the previous year.

Major Activities to Advance Strategies

- Mechanical Inspection and Wage and Hour enforce contractor licensing and electrical and mechanical administrator licensing requirements.
- Mechanical Inspection enforces certification requirements for plumbers, electricians, explosives handlers, hazardous painters and asbestos workers.
- Mechanical Inspection inspects mechanical and electrical systems, boilers and elevators to enforce code compliance.
- Wage and Hour investigates wage claims and prevailing wage complaints and pursues collection of unpaid wages, benefits, penalties and interest.
- Wage and Hour conducts on-site inspections and briefings to achieve child labor law compliance.
- Wage and Hour audits certified payrolls to check compliance with Alaska Resident Hire laws.
- Occupational Safety and Health provides recognition awards for exemplary workplace safety and health programs.
- Occupational Safety and Health Consultation performs on-site reviews and improvements of employer safety and health programs.
- Occupational Safety and Health Enforcement conducts inspections, provides abatement assistance and assesses penalties when required.

FY2009 Resources Allocated to Achieve Results

FY2009 Results Delivery Unit Budget: \$9,944,800

Personnel:

Full time	88
Part time	0
Total	88

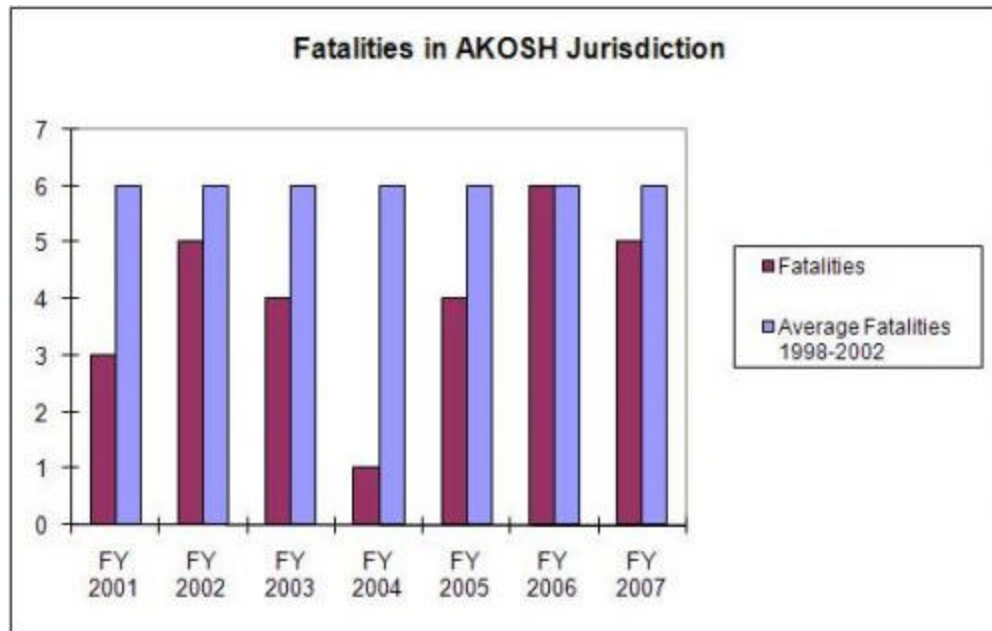
Performance Measure Detail

A: Result - Eliminate workplace fatalities caused by circumstances that are under Alaska Occupational Safety and Health (AKOSH) jurisdiction.

Target #1: Zero accidental workplace fatalities.

Measure #1: The number of accidental workplace fatalities compared to the previous year.

Workplace Fatalities



Analysis of results and challenges: The number of workplace fatalities will be calculated using fatality reports submitted to the Alaska Occupational Safety and Health Administration (AKOSH). AKOSH will reduce workplace fatalities through consultation and enforcement inspections by targeting industries with high fatality rates and eliminating the most prevalent causes of fatalities.

Due to the relatively small number of workplace fatalities and the annual fluctuations, it is useful to compare the current number of fatalities to the average number of fatalities over a 5 year period. The benchmark is from 1998-2002 when there was an average of six fatalities per year. The number of fatalities in 2007 decreased from six to five and the rolling five year average from 2003 through 2007 is 4 per year, for a 20% reduction from the benchmark period. Of note, through targeted inspections and consultations in the construction industry the number of fatalities was reduced from three in FY 2006 to one in FY 2007.

A1: Strategy - Reduce the number of worker fatalities under AKOSH jurisdiction by focusing compliance, consultation and outreach efforts on the causes of fatalities.

Target #1: 3% reduction in the number of workplace fatalities per 100,000 employees compared to the previous 5 year average.

Measure #1: The change in the rate of workplace fatalities per 100,000 employees compared to the average for the previous 5 years.

Workplace Fatalities

Fiscal Year	Yearly Rate	Previous 5-year Average	% Change
FY 2004	0	2.33	0
FY 2005	1.32	1.87	-42%
FY 2006	1.94	1.43	35%
FY 2007	1.58	1.27	-19%

Analysis of results and challenges: This statistic will be calculated using workplace fatality reports submitted to the Alaska Occupational Safety and Health (AKOSH) section and employment statistics maintained by Research and Analysis. AKOSH will reduce workplace fatalities through a combination of consultation and enforcement activities targeted on eliminating the most prevalent causes of fatalities in industries with high fatality rates. Of note, through targeted inspections and consultations in the construction industry the number of fatalities was reduced from three in FY 2006 to one in FY 2007.

B: Result - Reduce the number of worker lost time injuries and illnesses in the workplace that are within AKOSH jurisdiction.

Target #1: 2% per year reduction in the rate of workplace lost time injuries and illnesses per 100 employees.

Measure #1: The rate of workplace lost time injuries and illnesses per 100 employees compared to the previous year.

Worker Lost Time Injuries and Illnesses

Fiscal Year	Rate	% Change
FY 2001	3.59	
FY 2002	3.24	-10%
FY 2003	2.73	-16%
FY 2004	1.94	-29%
FY 2005	2.29	18%
FY 2006	2.24	-2%
FY 2007	2.02	-10%

Analysis of results and challenges: Since FY01, the AKOSH program has reduced the lost workday illness and injury rate by 48% by targeting consultation and enforcement efforts on the causes of illnesses and injuries in industries with high incident rates. In FY03, the program initiated a five year strategic plan, which focused inspection, training and consultation efforts on high growth, high hazard industries (construction and transportation/warehousing) as evidenced by Worker's Compensation Insurance claim data.

To help put the rate into perspective, there were 6,941 recorded injuries with 309,382 employees in FY06 and 6,390 recorded injuries with 317,092 employees in FY07. Even though over 7,700 employees have been added to the Alaska economy over the last year, there were 551 fewer recorded injuries in FY07.

B1: Strategy - Reduce the number of lost time worker injuries/ illnesses in the construction and transportation industries by focusing on causes.

Target #1: 3% reduction per year in lost time injuries and illnesses per 100 employees in the construction and

transportation industries.

Measure #1: The change in the rate of lost time injuries and illnesses per 100 employees in the construction and transportation industries compared to the previous year.

Lost Workday Illness/Injury Rates for Transportation and Construction

Fiscal Year	Trans. Rate	% Change	Const. Rate	% Change
FY 2001	3.53		7.59	0
FY 2002	3.50	-9%	7.39	-3%
FY 2003	3.10	-11%	6.16	-17%
FY 2004	2.84	-8%	4.21	-32%
FY 2005	3.33	+17%	4.38	+4%
FY 2006	4.22	+27%	3.34	-24%
FY 2007	3.42	-19%	3.75	+12%

Analysis of results and challenges: Alaska Occupational Safety and Health (AKOSH) will reduce illnesses and injuries by targeting consultation and enforcement efforts on the causes of lost work day illnesses and injuries in construction and transportation. AKOSH obtains illness and injury data from Workers' Compensation insurance claim data and employment statistics maintained by Research and Analysis. Due to increased resource development projects, the construction, transportation and warehousing industries have increased significantly over the past three years. The increased activity creates a challenge for the AKOSH staff to keep up with the number of inspections required to impact the industry accident rate, which may result in inconsistent results in the near term. We expect that long term trends will reflect reduced illness and injury rates in these industries.

B2: Strategy - Improve voluntary compliance with Occupational Safety and Health requirements.

Target #1: Increase the number of Voluntary Protection Program (VPP) and Safety & Health Achievement Recognition Program (SHARP) sites in Alaska by 10% per year.

Measure #1: The percentage change in the number of VPP and SHARP sites in comparison to the previous year.

VPP and SHARP Sites

Fiscal Year	VPP Sites	SHARP Sites	Total Sites	%Change
FY 2001	3	0	3	
FY 2002	3	6	9	200%
FY 2003	4	9	13	44%
FY 2004	6	11	17	31%
FY 2005	6	11	17	0
FY 2006	11	12	23	35%
FY 2007	12	14	26	13%

Analysis of results and challenges: The federal SHARP Program targets smaller employers with less than 250 employees at a site and less than 500 employees total. These smaller employers have a difficult time making the commitment necessary to participate in SHARP. In addition, one benefit of participation, deferred enforcement inspections for 18 months as set in federal regulations, is not significant when Alaska statutes provide a 12 month deferral for any company that receives a comprehensive consultation visit and corrects all hazards. The federal VPP Program is designed for larger employers with 500+ employees. Qualification for VPP is time consuming and Alaska has relatively few employers large enough to qualify.

SHARP and VPP participation will be improved by promoting the benefits of the program to businesses. Consultants will work in partnership with businesses to assist with the development, implementation and maintenance of occupational safety and health programs and performance necessary to meet VPP and SHARP participation standards. The benefits to employers to participate in these programs are reductions in

injuries and illnesses, a reduction in operational costs and an increase in productivity.

C: Result - Reduce hazards to life and property posed by unsafe boilers/pressure vessels, plumbing and electrical work and elevators within Mechanical Inspection's jurisdiction.

Target #1: Zero loss of life or property caused by unsafe boilers/pressure vessels, plumbing and electrical work and elevators.

Measure #1: Total number of boiler/pressure vessel, plumbing, electrical or elevator incidents resulting in loss of life or property.

Incidents of Loss of Life or Property

Fiscal Year	Boiler/Pressure Vessel	Plumbing	Electrical	Elevators
FY 2004	0	0	0	0
FY 2005	0	0	0	0
FY 2006	0	0	0	0
FY 2007	0	0	0	0

Analysis of results and challenges: On 1/1/04 Mechanical Inspection began tracking the specific number of incidents causing loss of life or property as a result of unsafe boilers or pressure vessels, plumbing and electrical work and elevators. Mechanical Inspection will strive to inspect boilers, pressure vessels and elevators by the inspection due date and eliminate code violations. Mechanical Inspection will eliminate hazards to life and property by inspecting electrical and plumbing work and pursue correction of any code or licensing violations identified. It is extremely important to maintain a zero incident rate as a single incident could be catastrophic.

C1: Strategy - Ensure boilers and pressure vessels are maintained and operating to code through timely inspections.

Target #1: Reduce boiler inspection backlog by 33% per year.

Measure #1: Annual percentage change in the number of overdue inspections in comparison to the previous year.

of Overdue Boiler Inspections and Percentage Change

Fiscal Year	# of Boilers	% Change
FY 2001	6,200	
FY 2002	7,200	+16%
FY 2003	5,268	-27%
FY 2004	2,996	-43%
FY 2005	2,737	-9%
FY 2006	3,033	+11%
FY 2007	4139	+36%

Analysis of results and challenges: Mechanical Inspection tracks boiler/pressure vessel inspection due dates and inspection certifications. Boiler Inspectors work to complete inspections for all boilers/pressure vessels due for inspection, while eliminating overdue boilers/pressure vessels from the backlog. In FY 2007, inspector position vacancies have caused the rate of reduction to decline. Furthermore, a significant number of new units were installed in FY07, which has further stressed inspection resources. In FY 2007, the program began the process to establish an Assistant Boiler Inspector to provide an entry level training position to improve the ability to fill position vacancies.

Target #2: 80% of boiler and pressure vessel code violations corrected upon inspection.

Measure #2: Percentage of boiler and pressure vessel violations corrected compared to the total number detected.

Boiler Violations

Fiscal Year	# Violations	# Corrected	% Corrected
FY 2001	1,434	1,152	80%
FY 2002	905	636	70%
FY 2003	1,242	809	65%
FY 2004	1,189	789	66%
FY 2005	763	573	75%
FY 2006	739	618	84%
FY 2007	847	400	47%

Analysis of results and challenges: Mechanical Inspection currently tracks the number of code violations identified during inspections and verifies corrections. Inspectors will inspect boilers and pressure vessels for code compliance and focus on pursuing enforcement actions to obtain verifications that code violations have been corrected. The number of code violations corrected is affected by the timing of the correction. Corrections may not be realized until the following year. Inspectors will focus efforts on receiving timely verification of code violation abatements to increase this percentage.

C2: Strategy - Eliminate electrical and plumbing code violations.

Target #1: 80% correction of electrical code violations identified through inspection.

Measure #1: Percentage of electrical code violations corrected compared to the total number detected.

Electrical Violations

Fiscal Year	# Violations	# Corrected	% Corrected
FY 2001	768	534	69%
FY 2002	287	221	77%
FY 2003	666	259	39%
FY 2004	188	232	123%
FY 2005	775	636	82%
FY 2006	793	644	81%
FY 2007	526	607	115%

Analysis of results and challenges: Mechanical Inspection tracks code violations identified and the number of verified code corrections. Inspectors physically review electrical work during random on-site inspections to verify that code requirements are met. The percentage change in code violations corrected is affected by the number of violations that are corrected in the following year. Inspectors will focus efforts on receiving timely verification of code violation abatements to increase this percentage.

Target #2: 80% correction of plumbing code violations identified upon inspection.

Measure #2: Percentage of plumbing code violations corrected compared to the total number detected.

Plumbing Violations

Fiscal Year	# Violations	# Corrected	% Corrected
FY 2001	243	136	56%
FY 2002	176	70	40%
FY 2003	565	262	46%
FY 2004	679	442	65%
FY 2005	856	675	79%
FY 2006	819	676	83%
FY 2007	513	689	134%

Analysis of results and challenges: Mechanical Inspection tracks code violations identified and the number of verified code corrections. Inspectors physically review plumbing work during random on-site inspections to verify that code requirements are met. The percentage change in code violations corrected is affected by the number of violations that are corrected in the following year. Inspectors will focus efforts on receiving timely verification of code violation abatements to increase the percentage.

C3: Strategy - Eliminate elevator code violations.

Target #1: 80% correction of code violations identified through inspection.

Measure #1: Percentage of code violations corrected compared to the total number detected.

Elevator Violations

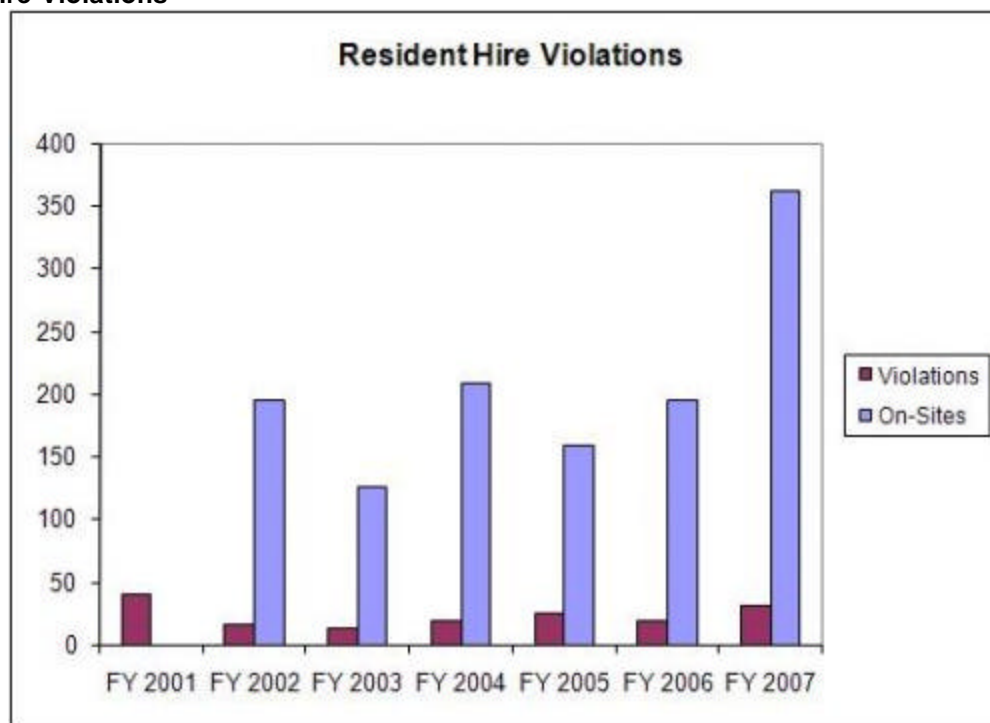
Fiscal Year	# Violations	# Corrected	% Corrected
FY 2001	708	377	53%
FY 2002	819	315	38%
FY 2003	1,128	589	52%
FY 2004	820	601	73%
FY 2005	1,131	651	58%
FY 2006	1,444	801	56%
FY 2007	778	572	74%

Analysis of results and challenges: Mechanical Inspection maintains data on elevator inspections, code violations and abatements. Elevator Inspectors strive to perform timely inspections of elevators, escalators, wheelchair lifts and other lifting devices for code compliance. The number of code violations corrected is affected by the number of violations that are corrected in the following year. Inspectors will focus efforts on receiving timely verification of code violation abatements to increase this percentage.

D: Result - Full compliance with Alaska's Employment Preference Act (AS 36.10).

Target #1: 20% reduction in ratio of Alaska Employment Preference Act violations to on-site inspections compared to the previous year.

Measure #1: Percentage change in the ratio of violations to on-site inspections compared to the previous year.

Resident Hire Violations

Fiscal Year	# Violations	# On-Sites	Violations/On-Site Ratio	% Change
FY 2001	40			
FY 2002	16	196	8%	
FY 2003	13	126	10%	+26%
FY 2004	19	209	9%	-12%
FY 2005	26	160	16%	+79%
FY 2006	19	196	10%	-40%
FY 2007	31	363	9%	-12%

Analysis of results and challenges: The number of on-site inspections and number of violations identified are tracked each year. In FY05, two Wage and Hour Technicians were added back into the budget to review certified payrolls and this allowed existing investigative staff to increase the number of on-site inspections. In FY06 another Wage and Hour Technician was added to assist with statewide resident hire enforcement through certified payroll reviews.

The ratio of violations to on-sites continues to decline as a result of certified payroll reviews and educational campaigns to promote the benefits of Alaska hire. However, while in FY07 there was an 85% increase in the number of on-site inspections, only 11% of the projects subject to Alaska Resident Hire were inspected at least once. In FY08, an investigator position was added to increase the number of on-site inspections to identify Alaska hire violations and verify accurate reporting.

The number of on-site inspections increased significantly in FY 2007 and nearly 9 percent of those

inspections identified violations. Given this high violation rate coupled with existing on-site inspection capabilities and increased public construction projects on the horizon, additional investigative staff is necessary to adequately ensure Alaska hire compliance through on-site inspections.

D1: Strategy - Reduce the number of Alaska resident hire violations.

Target #1: Check 60% of certified payrolls for compliance with Alaska resident hire requirements.

Measure #1: Percentage of certified payrolls checked for compliance.

Certified Payrolls

Fiscal Year	# Received	# Audited	% Checked
FY 2004	16,770	762	5%
FY 2005	43,942	9,215	21%
FY 2006	42,027	20,929	50%
FY 2007	41,266	26,123	63%

Analysis of results and challenges: Wage and Hour had not monitored the number of certified payrolls collected until 1/1/04. With additional Wage & Hour Technicians the percentage of certified payrolls checked has increased. The department's FY07 proposal for an on-line certified payroll system was approved and the number of certified payrolls checked should increase to 100% when this system goes on-line in FY08. This program will allow improved tracking of resident hire and apprentice utilization performance.

E: Result - Provide legal employment conditions within the Wage and Hour Administration's jurisdiction.

Target #1: Maintain average wage claim resolution time to 6 months or less.

Measure #1: Average claim resolution time.

Wage Claim Resolution Time

Fiscal Year	# Months	% Change	# of Valid Claims
FY 2001	8.9		555
FY 2002	6.0	-33%	417
FY 2003	8.1	+35%	375
FY 2004	7.9	-2%	397
FY 2005	5.3	-33%	466
FY 2006	5.5	+5%	419
FY 2007	5.0	-9%	399

Analysis of results and challenges: The Wage and Hour Administration tracks the average length of time required to resolve wage claims and strives to thoroughly investigate and resolve claims as quickly as possible. Although there are numerous employment conditions enforced by Wage and Hour (return transportation, child labor, record keeping, minimum wage, overtime, etc.), the length of time necessary to resolve wage claims is a representative measure of the agency's ability to ensure legal employment conditions.

To ensure that wage claims are justly resolved, investigators are tasked to collect facts from the claimant and the employer to determine the validity of the claim and the strength of the evidence supporting the claim. By reviewing wage claims more frequently, creating standards for claim resolution times, and streamlining approval for court action and disposition procedures, the section will maintain claims handling efficiency at less than 6 months. This replaces the 7 month goal from FY06.

The section investigated 514 new claims in FY07 and determined 115 to be invalid, for a total of 399 valid claims filed in the year. Of the 548 claims closed in FY07 (some of which were filed in previous fiscal years), 42% resulted in a collection for the employee. The section collected \$605,068.60 for an average of \$2,608.05

per claim. In some cases, collection is not possible due to bankruptcy or other collection difficulties.

E1: Strategy - Reduce wage claims by improving employer education efforts.

Target #1: Increase the number of employer briefings by 5% from the previous year.

Measure #1: The percentage change in the total number of employer briefings in comparison to the previous year.

Employer Educational Briefings

Fiscal Year	# Briefings	% Change
FY 2001	6,748	0
FY 2002	6,161	-9%
FY 2003	9,046	+47%
FY 2004	9,282	+3%
FY 2005	10,166	+10%
FY 2006	11,351	+12%
FY 2007	14,997	+32%

Analysis of results and challenges: The Wage and Hour Administration currently tracks the number of employer briefings. This strategy will be achieved through continued efforts to provide seminars, on-site visits, and quick and accurate responses to employer inquiries. The improvement in this area is expected to level out in FY08 and FY09; we expect to adjust the goal to maintain the level of briefings once that happens. In the event that the demand for briefings continues to increase, existing resources will not be sufficient to adequately provide these services.

Employment Security Results Delivery Unit

Contribution to Department's Mission

The mission of the Employment Security RDU is to provide labor exchange, employment and training services, and unemployment insurance to Alaskans and Alaskan businesses thereby advancing opportunities for employment and providing economic stability for communities in Alaska.

Core Services

The Employment and Training Service (ETS) component provides basic labor exchange services, available to all Alaskans, connecting employers with job seekers, and specialized employment and case management services for veterans, public assistance recipients, older workers, people with disabilities and unemployed workers. Delivers career support and training services targeting occupations that are in high demand and that support the Governor's Alaska Gasline Inducement Act (AGIA) plans.

The Unemployment Insurance (UI) program assesses and collects employer contributions for deposit into the UI Trust Fund and pays UI benefits to workers who are temporarily unemployed.

The Adult Basic Education (ABE) Program prepares Alaskans for employment by providing instruction in the basic skills of reading, writing, mathematics, and General Educational Development (GED) preparation and testing through grantees. Emphasis is given to integrating practical life skills and workplace readiness skills into instruction.

End Result	Strategies to Achieve End Result
A: More Alaskans with jobs. <u>Target #1:</u> Increase the percentage of Workforce Investment System participants that enter employment by 1% as compared to the previous year. <u>Measure #1:</u> Percent of Workforce Investment System participants that enter employment.	A1: Increase the number of Alaskans who get jobs. <u>Target #1:</u> Increase the number of Workforce Investment System participants who receive a staff assisted service by 500 as compared to the previous year. <u>Measure #1:</u> Change in number of Workforce Investment System participants who received staff assisted services. <u>Target #2:</u> Increase the number of Workforce Investment System participants by 500 as compared to the previous year. <u>Measure #2:</u> Change in number of Workforce Investment System participants. <u>Target #3:</u> Increase the percentage of Workforce Investment System participants who demonstrate increased basic skills knowledge (reading, writing, mathematics) by 1% as compared to the previous year. <u>Measure #3:</u> Percent of Workforce Investment System participants who demonstrated educational gain. <u>Target #4:</u> Increase the number of job openings placed by employers by 1,000 as compared to the previous year. <u>Measure #4:</u> Change in the number of job openings posted on the department's labor exchange system.
End Result	Strategies to Achieve End Result

B: Economic Stability of Local Purchasing Power.

Target #1: Maintain local purchasing power during periods of economic downturn.

Measure #1: Increase percent of wage replacement provided by Unemployment Insurance to reflect national target of 50%.

Target #2: Maintain local purchasing power during periods of economic downturn by keeping the reciprocity rate at or above 50%.

Measure #2: Percent of unemployed workers eligible for unemployment insurance benefits (Reciprocity rate).

B1: Improve timeliness of UI benefit payments.

Target #1: Exceed federal timeliness benchmark of 87% of initial payments within 14 to 21 days.

Measure #1: Percent of timely initial payments to unemployment insurance claimants.

Major Activities to Advance Strategies

- Increase job ready registrations.
- Increase job matching activities.
- Provide job search skills and training.
- Provide labor market information.
- Increase access to services via web-based technology.
- Marketing and outreach to employers.
- Integrate employment and training services.
- Establish information and referral mechanisms with partner agencies.
- Gather skills information from job seekers in remote areas.
- Improve labor exchange technology.
- Provide more front-end services.
- Train claim center personnel.
- Implementation of claim center case management system.
- Provide individual time management training to staff.

FY2009 Resources Allocated to Achieve Results

FY2009 Results Delivery Unit Budget: \$50,202,700

Personnel:

Full time	382
Part time	44
Total	426

Performance Measure Detail**A: Result - More Alaskans with jobs.**

Target #1: Increase the percentage of Workforce Investment System participants that enter employment by 1% as compared to the previous year.

Measure #1: Percent of Workforce Investment System participants that enter employment.

Fiscal Year	1st Qtr	2nd Qtr	3rd Qtr	4th Qtr	YTD
FY 2006	64%	61%	61%	61%	62%
FY 2007	60%	59%	57%	56%	58%
FY 2008	0	0	0	0	Forecast 59%

Analysis of results and challenges: The Entered Employment Rate is defined as: Of those not employed at the date of participation; the number of participants who demonstrated employment (wages earned) in the first

quarter after they exited participation, divided by the total number of participants who exited during the quarter.

In compliance with federal common measures, an Alaska Labor Exchange system (ALEXsys) was implemented in April 2006. FY 2007 is the first full employment data reporting period utilizing ALEXsys and establishes the baseline. ALEXsys increases the accuracy of performance data reporting and resulted in a four percent decrease in reported performance as compared to the previous data.

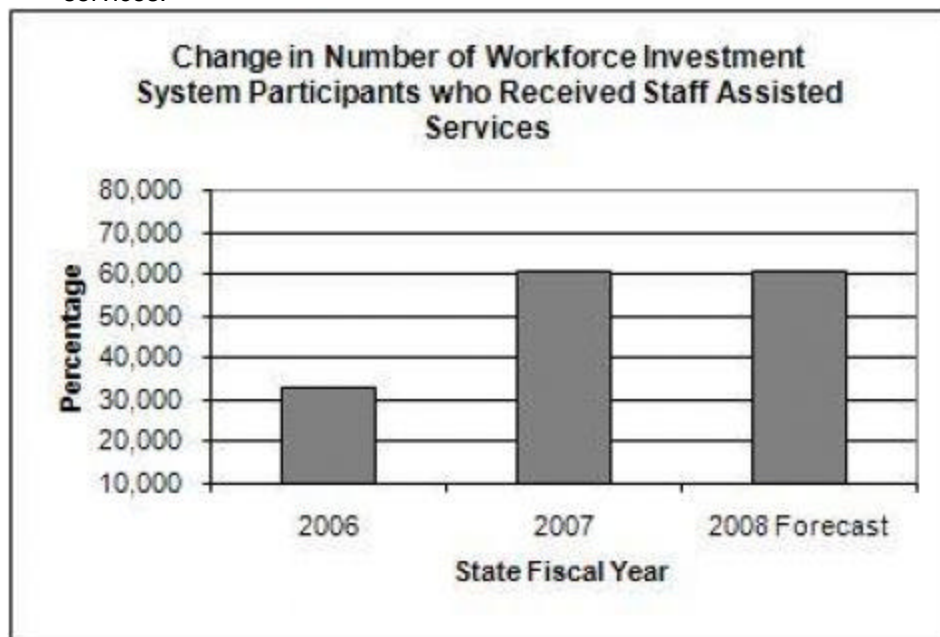
Efforts to increase the percentage of Workforce Investment System participants that enter employment include professional job center staff available to assist job seekers with registration in ALEXsys, help build skills and post resumes, view labor market and career information, search for jobs, offer workshops to learn job search strategies, develop interviewing skills, provide training information, and special services for veterans, seniors, persons with disabilities, and unemployment insurance recipients. Marketing strategies continue to increase use of our services.

Update: FY 2008 1st Quarter information will be available late November 2007

A1: Strategy - Increase the number of Alaskans who get jobs.

Target #1: Increase the number of Workforce Investment System participants who receive a staff assisted service by 500 as compared to the previous year.

Measure #1: Change in number of Workforce Investment System participants who received staff assisted services.



Fiscal Year	1st Qtr	2nd Qtr	3rd Qtr	4th Qtr	YTD	Change
FY 2006	10,483	5,790	7,560	8,799	32,632	
FY 2007	15,531	15,740	15,015	14,097	60,383	27,751
FY 2008	0	0	0	0	Forecast 60,883	0

Analysis of results and challenges: Staff assisted services have increased by 27,751 in FY2007 compared to FY2006. Since the Alaska Labor Exchange system (ALEXsys) was implemented in FY2006, allowing internet self-service access to many of our services, Alaska Job Centers have experienced an increasing

number of participants with significant barriers seeking services in our physical locations. The overall increase in participants with barriers and their need for assistance has driven the staff assisted services count to its present number.

Target #2: Increase the number of Workforce Investment System participants by 500 as compared to the previous year.

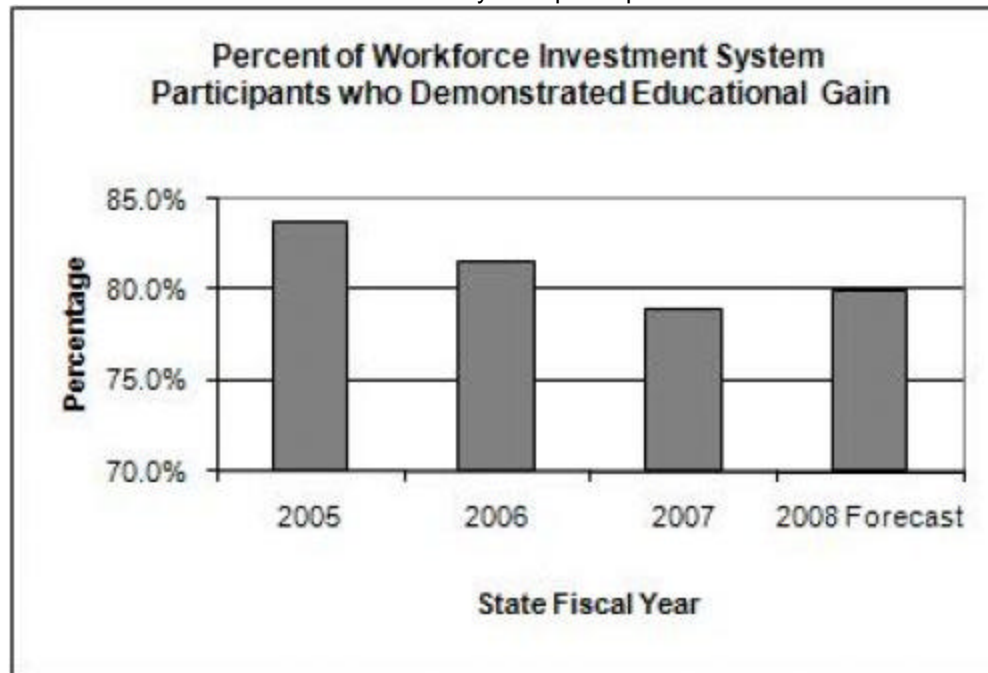
Measure #2: Change in number of Workforce Investment System participants.

Fiscal Year	1st Qtr	2nd Qtr	3rd Qtr	4th Qtr	YTD	Change
FY 2006	19,208	27,656	14,983	17,381	79,228	
FY 2007	28,878	32,547	25,108	23,032	109,565	30,337
FY 2008	0	0	0	0	Forecast 110,065	500

Analysis of results and challenges: Common Measures federal reporting requirements redefine a "registrant" to that of a "participant." An individual may be counted as a participant more than once in any given four-quarter reporting period if they resume receiving services after having a break in service of 90 days or more. Job seekers who self-register in ALEXsys via the internet also count as "participants." All UI claimants must register in ALEXsys as well. This has resulted in an increase in our overall participation rate. FY 2006 is the new baseline year for Common Measures and should be the State's baseline year for this measure.

Target #3: Increase the percentage of Workforce Investment System participants who demonstrate increased basic skills knowledge (reading, writing, mathematics) by 1% as compared to the previous year.

Measure #3: Percent of Workforce Investment System participants who demonstrated educational gain.



Demonstrated Educational Gains

Fiscal Year	YTD
FY 2005	83.7%
FY 2006	81.6%
FY 2007	79.0%*
FY 2008	Forecast 80.0%

*Final percentage available 12/31/07

Analysis of results and challenges: Year-to-year variations in the demonstrated educational gain reflect circumstances which are often beyond the control of the grantees. For example, the federal performance measures continue to change each year as does the state's method of capturing data. Percentages may stabilize in FY 2008 with the introduction of a new state ABE database which is programmed to promote greater accuracy. In addition, in FY 2008 revised editions of the Tests of Adult Basic Education (TABE) and Basic English Skills Test (BEST) assessment instruments will be used and the result will be more accurate measurement of educational gains.

Target #4: Increase the number of job openings placed by employers by 1,000 as compared to the previous year.

Measure #4: Change in the number of job openings posted on the department's labor exchange system.

Fiscal Year	1st Qtr	2nd Qtr	3rd Qtr	4th Qtr	YTD	Change
FY 2003					44,632	0
FY 2004	11,619	8,875	11,443	13,986	45,923	1,291
FY 2005	15,344	9,397	12,386	16,783	53,910	7,987
FY 2006	17,033	12,199	12,093	7,309	48,634	(5,276)
FY 2007	22,624	16,212	16,195	12,512	67,543	18,909
FY 2008	0	0	0	0	Forecast 68,543	0

Analysis of results and challenges: A large direct mail and media marketing campaign to employers in Alaska led to a spike in employers using ALEXsys when it was first implemented in April 2006 and to a spike in total openings in the first quarter of 2007. Continued promotion of ALEXsys to employers combined with its self-service nature as an on-line labor exchange system has led to an increase of total Job Openings in FY2007 of 18,909 compared to FY2006.

B: Result - Economic Stability of Local Purchasing Power.

Target #1: Maintain local purchasing power during periods of economic downturn.

Measure #1: Increase percent of wage replacement provided by Unemployment Insurance to reflect national target of 50%.

Percent of Wage Replacement

Year	Total
2002	27.9%
2003	27.3%
2004	26.6%
2005	25.8%
2006	26.9%
2007	Forecast 26.0%

Analysis of results and challenges: The objective of the unemployment insurance weekly benefit amount is to provide a wage replacement that is high enough to cover the claimant's non-deferrable expenses, but not

so high as to undermine the incentive to return to work. Alaska's decrease in wage replacement percentage over the years is because the average weekly wage for Alaska continues to go up each year while the average weekly benefit amount remains roughly the same. USDOL encourages a 50% wage replacement rate. The national average is 40.8%.

Update: 2007 data will be available September 2008.

Target #2: Maintain local purchasing power during periods of economic downturn by keeping the reciprocity rate at or above 50%.

Measure #2: Percent of unemployed workers eligible for unemployment insurance benefits (Reciprocity rate).

Percent of Unemployed Workers Eligible for UI Benefits

Year	Total
2002	59.2%
2003	54.7%
2004	52.3%
2005	53.0%
2006	51.1%
2007	Forecast 51.0%

Analysis of results and challenges: Used by USDOL to measure the effectiveness of a States' Unemployment Insurance Program, reciprocity rate is the percentage of unemployed workers eligible for unemployment benefits. Alaska's reciprocity rate is well above the national average of 35.2%. This is due in part to Alaska's qualifying wage requirements being very low (a person only has to have earned \$1,000.00 in a base period to qualify for a benefit year). This causes Alaska's reciprocity rate to be high in comparison to other states because other states qualifying wage requirements are much higher than Alaska's. In addition, Alaska's continuing eligibility requirements are less restrictive than other states. Both Alaska's rate and USDOL's rate will fluctuate from year to year simply because the number of unemployed workers fluctuates from year to year as does the percentage of workers that end up qualifying for benefits.

Update: 2007 data will be available September 2008.

B1: Strategy - Improve timeliness of UI benefit payments.

Target #1: Exceed federal timeliness benchmark of 87% of initial payments within 14 to 21 days.

Measure #1: Percent of timely initial payments to unemployment insurance claimants.

Percent of Timely Initial Payments to UI Claimants

Year	1st Qtr	2nd Qtr	3rd Qtr	4th Qtr	Total
2006	98.1%	* 92.3%	92.4%	94.1%	93.1%
2007	94.0%	93.9%	0 0%	0 0%	Forecast 93.5%
2008	0 0%	0 0%	0 0%	0 0%	Forecast 94.0%

Analysis of results and challenges: *In 2006, 2nd quarter, the federal timeliness benchmark changed to 87% of initial payments made within 14 to 21 days from 95% of initial payments within 35 days. The data reported since 2nd quarter 2006 and the forecasts for 2007 and 2008 reflect this change. Data from prior years is available but is not comparable due to the federal measure change.

Business Partnerships Results Delivery Unit

Contribution to Department's Mission

The Business Partnerships RDU contributes to the department's mission by developing, designing and implementing employment and training programs that align with Alaska business and industry workforce demands and that result in participant employment and in building a prepared workforce.

Core Services

The Business Services component designs and implements programs based upon the broad policy oversight of the Alaska Workforce Investment Board and upon Alaska business and industry demands for a trained workforce. Business Services provides administration, technical assistance, program development and design, reporting of program performance and evaluation, and grant management of federal and state funds.

The Workforce Investment Board component supports the Alaska Workforce Investment Board (AWIB), which is responsible for the oversight and continuous improvement of the federal, state, and local partnerships that implement the workforce investment system. This component provides staff to the AWIB and provides policy planning for the training and employment resources for state and federal programs.

The Alaska Vocational Technical Center (AVTEC) offers post-secondary vocational technical education and training for Alaskans. AVTEC provides long-term training in 16 different business and industry fields and a wide variety of short-term training and educational programs. AVTEC coordinates with secondary education programs in preparing career paths for Alaska high school students to fill the 70 - 80% of jobs that do not require a college degree.

The Kotzebue Technical Center Operations Grant component provides funds to the Alaska Technical Center (ATC) located in Kotzebue. ATC offers residential adult vocational training through the Northwest Arctic Borough School District. ATC operates programs in building industrial technology, office occupations, mine maintenance technology and health occupations in addition to short-term training in response to statewide industry needs.

The Southwest Alaska Vocational and Education Center Operations Grant component provides market driven vocational and technical training in rural Alaska.

The Yuut, Elitnaurviat, Inc. People's Learning Center Operations Grant component will provide a career learning center for adults and high school students with a focus on health, education including early childhood, aviation and construction.

The Northwest Alaska Career and Technical Center (NACTEC) component provides high school students with the necessary resources and skills to prepare them for skilled employment opportunities and the pursuit of postsecondary education. At NACTEC, students receive instruction in four focus areas: career and technical skills, career exploration, life skills and soft skills.

End Result	Strategies to Achieve End Result
<p>A: Increase un-subsidized employment through job training.</p> <p><u>Target #1:</u> Increase to 97 percent the participants satisfied with services.</p> <p><u>Measure #1:</u> Percent of participants satisfied with services.</p> <p><u>Target #2:</u> At least 95 percent of trained participants will enter employment</p>	<p>A1: Maximize the degree to which workforce investment resources are invested according to the industry priorities of the Alaska Workforce Investment Board (AWIB).</p> <p><u>Target #1:</u> At least 60 percent of participants are trained in occupations aligned with the AWIB's industry priorities.</p> <p><u>Measure #1:</u> Percent of participants trained in priority industry occupations.</p>

<p><u>Measure #2:</u> Percent of trained participants entering employment</p>	<p>A2: Maximize the return on investment for training resources.</p> <p><u>Target #1:</u> At least 90 percent of AVTEC long-term graduates are employed in their area of training. <u>Measure #1:</u> The percent of AVTEC long-term graduates employed in their area of training.</p> <p><u>Target #2:</u> Within six months of training, 50 percent of a participant's training costs will be matched by earning changes. <u>Measure #2:</u> Change in participant's earnings after six months equaling 50 percent of the cost of training.</p> <p>A3: Meet all negotiated performance standards set by the Alaska Workforce Investment Board and USDOL.</p> <p><u>Target #1:</u> Meet all negotiated performance standards. <u>Measure #1:</u> The number of negotiated performance standards that are met.</p> <p><u>Target #2:</u> At least 77 percent of AVTEC students complete long-term programs. <u>Measure #2:</u> The percent of AVTEC students who complete long-term programs.</p>
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Major Activities to Advance Strategies

- AVTEC-Coordinate with student sponsors to improve application screening to help increase prospective student success.
- Management Information System (MIS) training for all grantees on a continuous as-needed basis. MIS data conversion and system redesign
- Initiate a needs-assessment for MIS replacement and upgrades use part-time programming staff to assist in making current system more reportable.
- Submit Report on Training programs by 02/15/08.
- Expand the usability of the Eligible Training Provider List (ETPL) procedures by 03/30/08.
- Conduct Alaska's High Growth Job Training Initiative for the Energy Industry program evaluation by 06/30/08
- Submit annual WIA report to USDOL by 10/01/08.
- Define and improve upon program and financial management monitoring, grant solicitation, and negotiation procedures to ensure compliance.
- Implement year one of the federal funded initiative, the Alaska Pipeline Worker Training Project, identifying outcomes and goals using apprenticeship
- Determine level of GF investment in workforce development given unpredictable federal funding and employer demand for a prepared Alaska workforce.
- Through new legislation, extend the State Training and Employment Program (STEP) that expires on
- Continue the Youth First Initiative through coordination with business, industry and school districts to introduce students to high demand jobs.
- Review and identify High Priority Industries and Occupational Priorities for training by 03/30/08.
- Assist teachers in understanding and using industry job standards in the classroom.
- Continue Alaska Workforce Investment Board endorsed sector strategic plans to maximize Alaska workforce preparation and hire Alaskans.
- AVTEC-Employ a full-time placement specialist to coordinate directly with employers to place AVTEC students in jobs upon graduation.
- AVTEC-Host an employment fair at AVTEC in Seward.
- AVTEC-Integrate job search, resume writing, and interview training into all AVTEC long-term training programs.
- AVTEC-Invite industry professionals to participate in mock interviews with AVTEC students.
- AVTEC-Maintain industry advisory boards for each training program to ensure quality and relevance of training.
- AVTEC-Achieve annual nationally recognized skill standards certifications for each training program.
- AVTEC-Conduct student field trips to industry work sites and career fairs.

Major Activities to Advance Strategies

June 30, 2008 and update regulations.

FY2009 Resources Allocated to Achieve Results

FY2009 Results Delivery Unit Budget: \$51,193,900

Personnel:

Full time 63

Part time 59

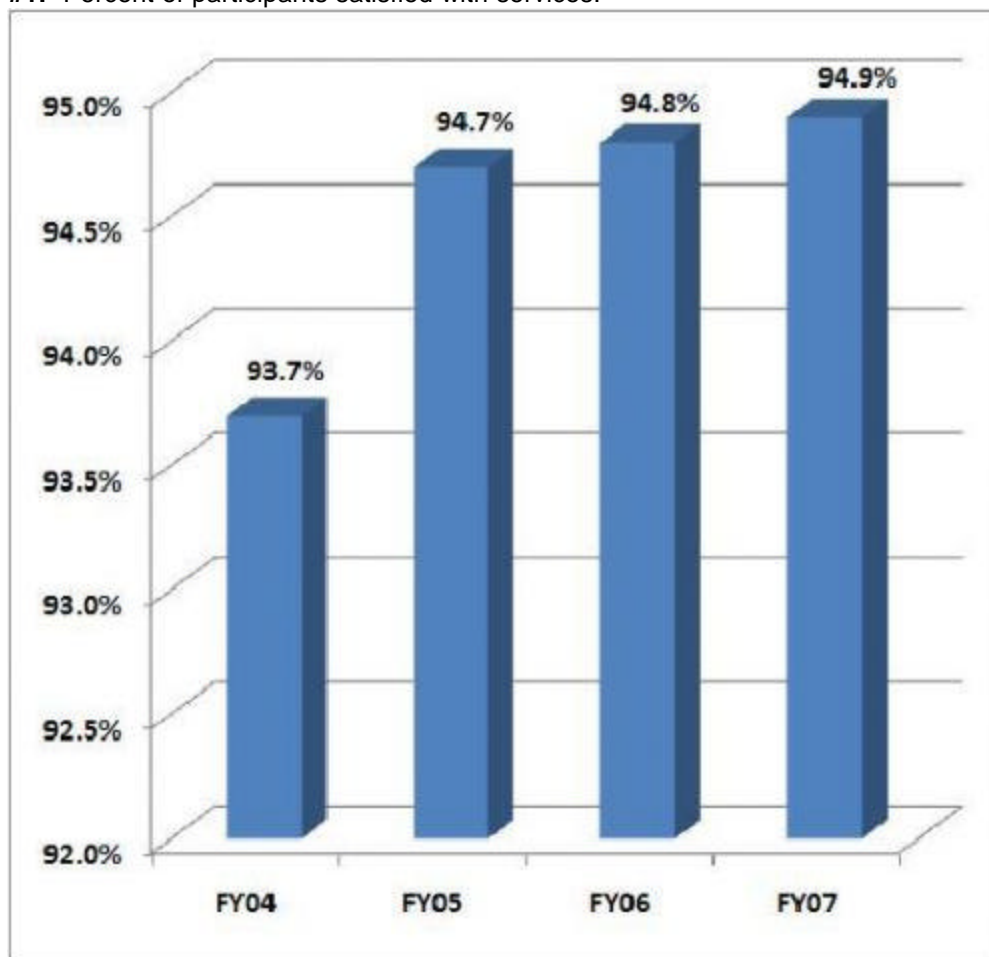
Total 122

Performance Measure Detail

A: Result - Increase un-subsidized employment through job training.

Target #1: Increase to 97 percent the participants satisfied with services.

Measure #1: Percent of participants satisfied with services.



Percent of Participants Satisfied With Training

Response Count for Customer Satisfaction

Fiscal Year	Rating 1-4	Rating 5-7	Rating 8-10	Total Responders
FY 2004	82	337	899	1,318
FY 2005	65	289	883	1,237
FY 2006	89	354	1,262	1,705
FY 2007	75	287	1,113	1,475

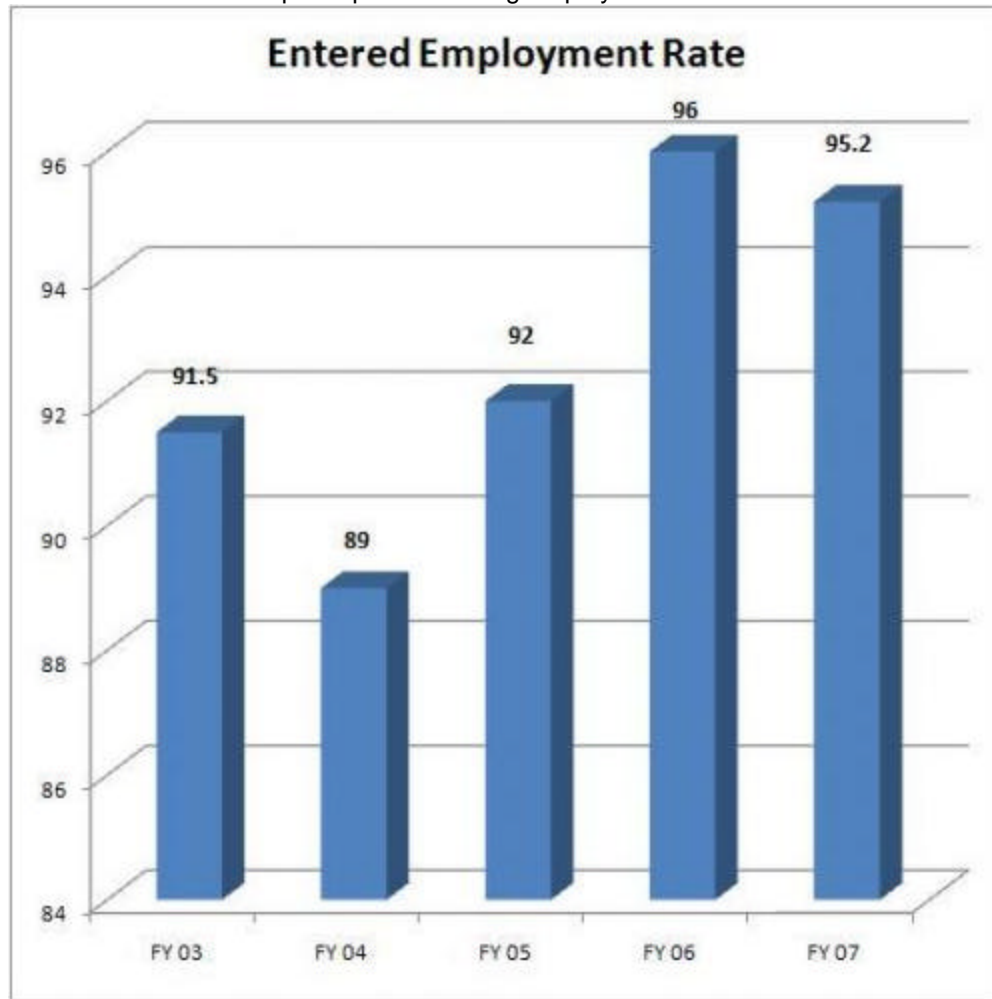
Analysis of results and challenges: The satisfaction rate is combined for the following training programs; WIA Adult, WIA Dislocated Worker, National Emergency Grant, High Growth Job Training Initiative and the State Training Employment Program (STEP). The contractor responsible for customer satisfaction survey collection contacts participants who received training services. Participants rate their satisfaction with the services they received on a scale of 1 to 10 where 1 is poor and 10 is excellent.

The division continues to work with grantees and fund recipients to ensure participants are aware of the necessity to respond to survey contacts and accurately rate their satisfaction with their training program(s). We believe that every effort we make to increase the response rate brings us closer to documenting our goal of 97% customer satisfaction. Some grantees have even offered to oversee the completion of surveys prior to the end of training in order to get more participants responding. We believe this will aid us to move closer to our goal.

Customer satisfaction numbers are computed annually.

Target #2: At least 95 percent of trained participants will enter employment

Measure #2: Percent of trained participants entering employment



Entered Employment Rate

Analysis of results and challenges: This measure is an aggregate rate reflecting the percent of individuals who completed their respective training programs provided through the three primary Workforce Investment Act (WIA) Title IB program funding streams and/or the State Training and Employment Program (STEP) and found employment within one year. The FY07 rate dropped slightly due to delays the division experienced issuing grants. Litigation and court rulings precluded the division from negotiating and completing grant awards around the beginning of the fiscal year. These delays translate into fewer participants receiving training and completing their program within the fiscal year. It is worth noting that the court ruled in favor of the department.

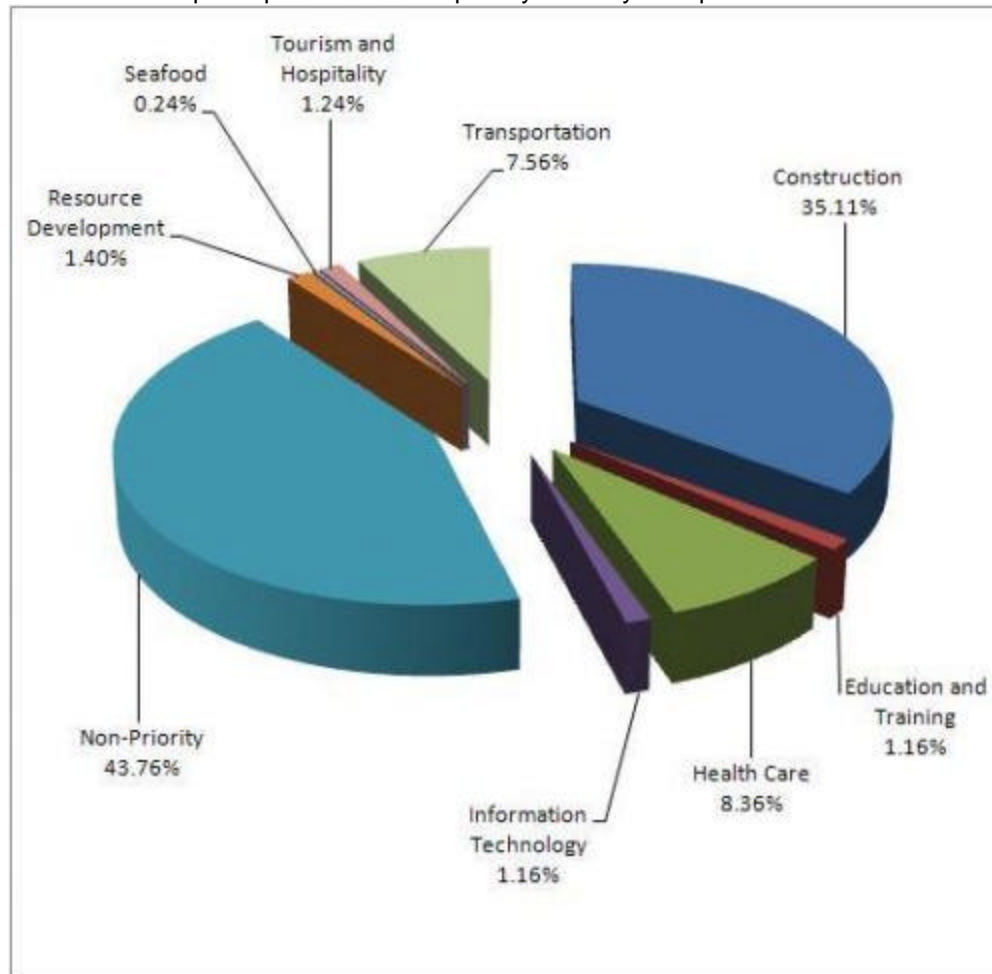
The total number of participants trained during FY 2007 was 2,161 of which 2,058 entered employment.

The division continues to work closely with grantees and training providers to ensure participants receive the requisite level of training to attain and retain employment. Most of the division's grant agreements address and require grantee involvement with the participant in job placement activities.

A1: Strategy - Maximize the degree to which workforce investment resources are invested according to the industry priorities of the Alaska Workforce Investment Board (AWIB).

Target #1: At least 60 percent of participants are trained in occupations aligned with the AWIB's industry priorities.

Measure #1: Percent of participants trained in priority industry occupations.



Percentage of Trainings Completed In Priority Industry Occupations During FY 2007

Analysis of results and challenges: Training in priority industry occupations remained the primary focus for the department during fiscal year 2007. The predominant industries were construction and health care. The state re-energized its efforts in preparing the workforce for the forthcoming gas pipeline and forecasted shortages due to retirements and other vacancies resulting from an aging workforce. The decrease during FY 2007 was due to a hold placed on granting funds as a result of litigation and subsequent court rulings. The court ruled in favor of the department which meant it could move forward on grants. However, grant recipients had significantly less time available to recruit and train individuals. This is particularly detrimental in industries having long training courses.

The Alaska Workforce Investment Board (AWIB) retained the following priority industries throughout SFY 2007: Health Care, Transportation, Hospitality, Seafood, Education, Construction, Information Technology, and Resource Development.

FY2004 57% in priority industry occupations

FY2005 58% in priority industry occupations

FY2006 62% in priority industry occupations

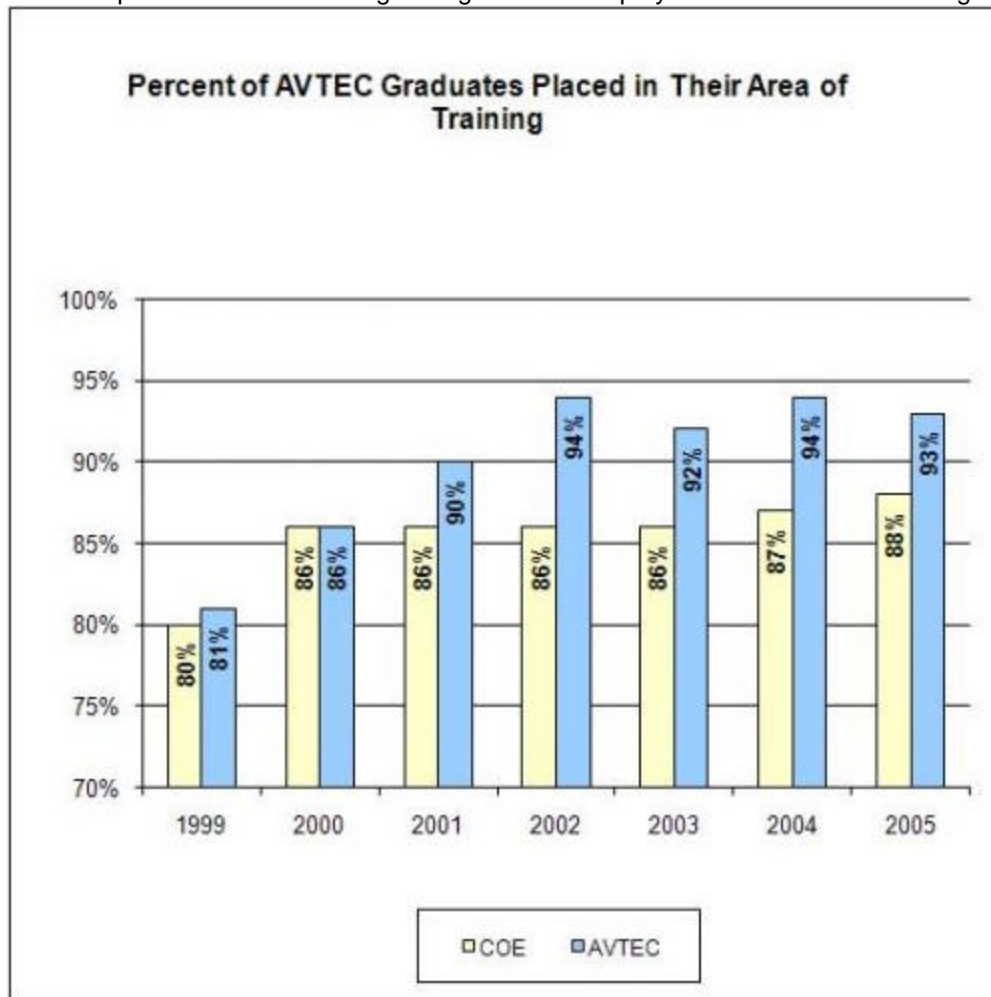
FY2007 56% in priority industry occupations

Our Management Information System participant data for FY 2007 shows approximately 56% of clients were trained in priority industry occupations. The strategies and processes provide clear direction and encouragement for training participants in priority industry occupations. In addition, we use these priorities to encourage, but not require, participants as they apply their "informed customer choice" options for training.

A2: Strategy - Maximize the return on investment for training resources.

Target #1: At least 90 percent of AVTEC long-term graduates are employed in their area of training.

Measure #1: The percent of AVTEC long-term graduates employed in their area of training.



Percent of AVTEC Graduates Placed in Their Area of Training

Analysis of results and challenges: The Council on Occupational Education (COE) has nationally accredited AVTEC since 1997. The COE benchmark for measuring "graduates of long-term programs employed in their area of training" is established as the national average of more than 400 similar public post-secondary institutions. For each year from 1999 to 2005, AVTEC has consistently met or exceeded the benchmark. AVTEC only tracks the long-term (longer than six weeks) program graduates for this measure.

Graduates are followed for one year for employment purposes so graduate values continue to increase on a monthly basis. For 2006, of 259 long-term graduates, 242 gained employment in their area of training.

The COE benchmarks for 2006 will not be available until the end of December, consequently 2005 data is the most current available.

Target #2: Within six months of training, 50 percent of a participant's training costs will be matched by earning changes.

Measure #2: Change in participant's earnings after six months equaling 50 percent of the cost of training.

Combined Rate of Return on Investment for STEP & WIA Programs

Fiscal Year	Earnings Change	Expenditures	% of Expenditures
FY 2006	\$8,638,404	\$12,902,312	67.0%
FY 2007	\$7,292,367	\$10,654,974	68.4%

Analysis of results and challenges: The Division of Business Partnerships calculates the combined rate of Return on Investment for the State Training and Employment Program (STEP) and federal Workforce Investment Act (WIA) programs by dividing the aggregate difference of pre and post program participation earnings by the amount expended on training within the same state fiscal year.

The Division of Business Partnerships has worked closely with grantees and service providers to leverage resources and provide training at reduced cost to the state while maintaining a comparable level of training and services to participants.

A3: Strategy - Meet all negotiated performance standards set by the Alaska Workforce Investment Board and USDOL.

Target #1: Meet all negotiated performance standards.

Measure #1: The number of negotiated performance standards that are met.

Program Measure	Negotiated Goal	Actual
Adult Entered Employment Rate	74.0%	64.1%
Adult Retention Rate	84.0%	86.4%
Adult Average Six Months Earnings	\$16,023	\$14,655
Dislocated Worker Entered Employment Rate	81.0%	73.9%
Dislocated Worker Retention Rate	89.0%	92.6%
Dislocated Worker Average Six Months Earnings	\$20,236	\$18,481
Older Youth Entered Employment Rate	71.0%	63.6%
Older Youth Retention Rate	72.0%	78.9%
Older Youth Six Months Earnings Change	\$3,600	\$3,529

USDOL Negotiated Performance Levels vs Actual Rates/Amounts

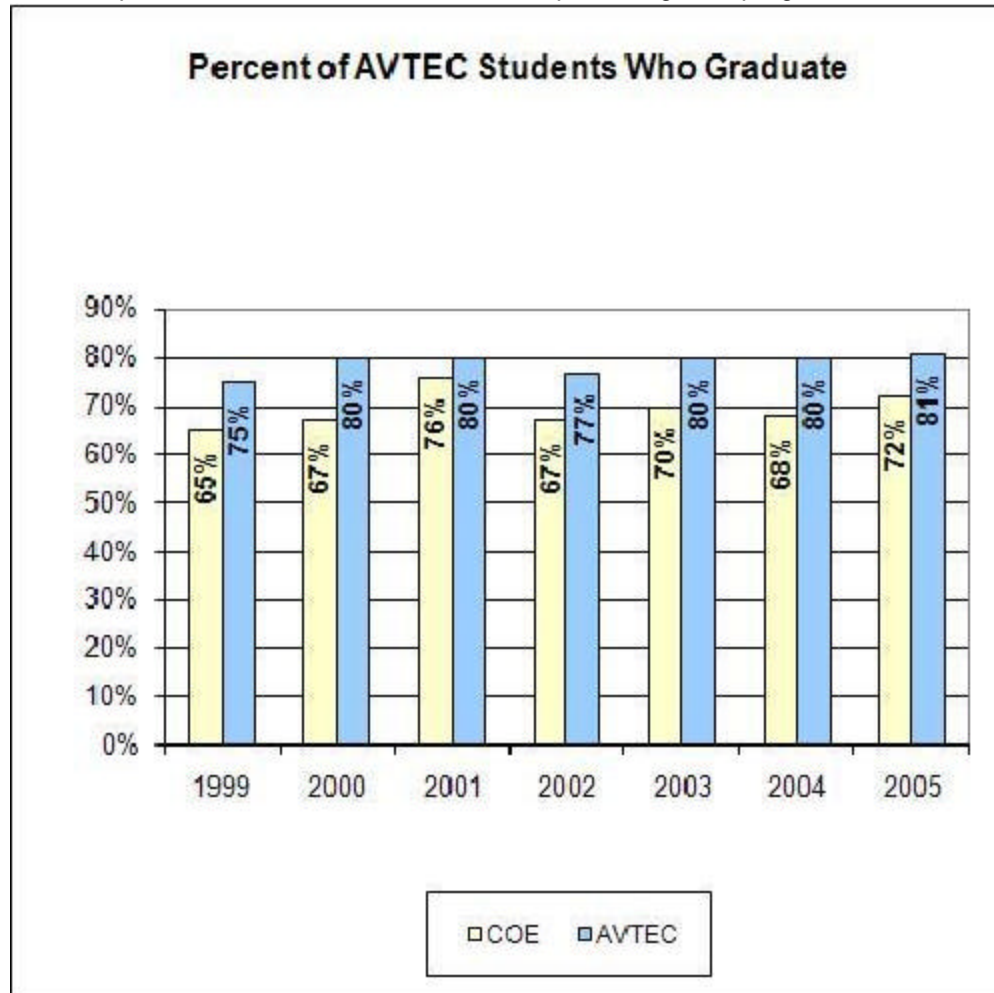
Analysis of results and challenges: There are a total of 22 state and federal negotiated performance standards for the WIA Adult, Dislocated Worker, Youth, National Emergency Grant and STEP programs. For FY06 Business Partnerships met or exceeded all of our measures according to the acceptable performance levels set by the US Department of Labor, which states that if you are within 80% of your negotiated performance rate, you have met your goal.

The division deems the more relevant measures to be the Entered Employment Rate, Retention Rate and Average Earnings for Adult and Dislocated workers and Six Month Earnings Change for Older Youth as these are true indicators of how well achieved our goal of providing a trained and viable workforce to business and industry in the state.

In the past three years US DOL has been trying to align performance measures among all programs to establish a level foundation against which it can compare program outcomes. Each year measure calculations have changed and continue to change in preparation for reauthorization of the Workforce Investment Act. Consequently, it is near impossible to determine meaningful differences between years.

Target #2: At least 77 percent of AVTEC students complete long-term programs.

Measure #2: The percent of AVTEC students who complete long-term programs.



Percent of AVTEC Students Who Graduate

Analysis of results and challenges: The Council on Occupational Education (COE) has nationally accredited AVTEC since 1997. The COE benchmark for measuring "students that complete long-term training programs" is established as the national average of more than 400 similar public post-secondary institutions. For each year from 1999 to 2005, AVTEC has consistently exceeded the benchmark.

Most of AVTEC's programs are 8-10 months long so values will continue to increase on a monthly basis. For 2006, of 324 students (excluding those still enrolled), 270 graduated.

The COE benchmarks for 2006 will not be available until the end of December, consequently 2005 data is the most current available.

Vocational Rehabilitation Results Delivery Unit

Contribution to Department's Mission

The Division of Vocational Rehabilitation contributes to the department's mission by assisting individuals with disabilities to obtain and maintain employment.

Core Services

The Division of Vocational Rehabilitation is a combined federal/state program under the authority of the Rehabilitation Act of 1973, as amended in 1998. The division works to assist in accomplishing the individualized employment goals of each person with a disability. A full array of vocational rehabilitation services, independent living services, support and assistance in employment, assistive technology, and referrals are offered.

In partnership with other state agencies, private sector businesses, vendors, and non-profit organizations, individuals are assisted in obtaining and maintaining employment.

The division adjudicates claims on behalf of the Social Security Administration for Title II and Title XVI applicants for disability benefits and provides referrals for services. In addition, the division is the agency responsible for executive branch compliance with the Americans with Disabilities Act and Administrative Order #129.

End Result	Strategies to Achieve End Result
<p>A: Alaskans with disabilities enter employment and become more economically self-sufficient.</p> <p><u>Target #1:</u> Equal prior year's number of employed individuals exiting the vocational rehabilitation program.</p> <p><u>Measure #1:</u> Number of employed individuals exiting the vocational rehabilitation program.</p> <p><u>Target #2:</u> The average wage of employed individuals exiting the program is 65% of the State's average wage.</p> <p><u>Measure #2:</u> Percentage of the average wage of individuals exiting the program employed as compared to the federally reported average state wage.</p>	<p>A1: Improve timeliness of service delivery.</p> <p><u>Target #1:</u> 85% of eligibility determinations made within 60 days.</p> <p><u>Measure #1:</u> Percent of eligibility determinations made within 60 days.</p> <p><u>Target #2:</u> 70% of Individualized Plans for Employment (IPEs) developed within 100 days.</p> <p><u>Measure #2:</u> Percent of IPEs developed within 100 days.</p> <p>A2: Exceed the federal standard for successfully completed Individual Plans for Employment (IPEs).</p> <p><u>Target #1:</u> 56% or more of IPEs are successfully completed with individuals exiting the vocational rehabilitation program employed.</p> <p><u>Measure #1:</u> Percent of successfully completed plans.</p>

Major Activities to Advance Strategies

- Improve customer service through integrated services at Job Centers to increase employment opportunities for Alaskans with disabilities
- Educate employers, partners and customers to assist people with disabilities to achieve their career goals.
- Develop partnerships with employers for assessment sites.
- Build partnerships with Centers for Independent Living.

FY2009 Resources Allocated to Achieve Results

FY2009 Results Delivery Unit Budget: \$24,211,700

Personnel:

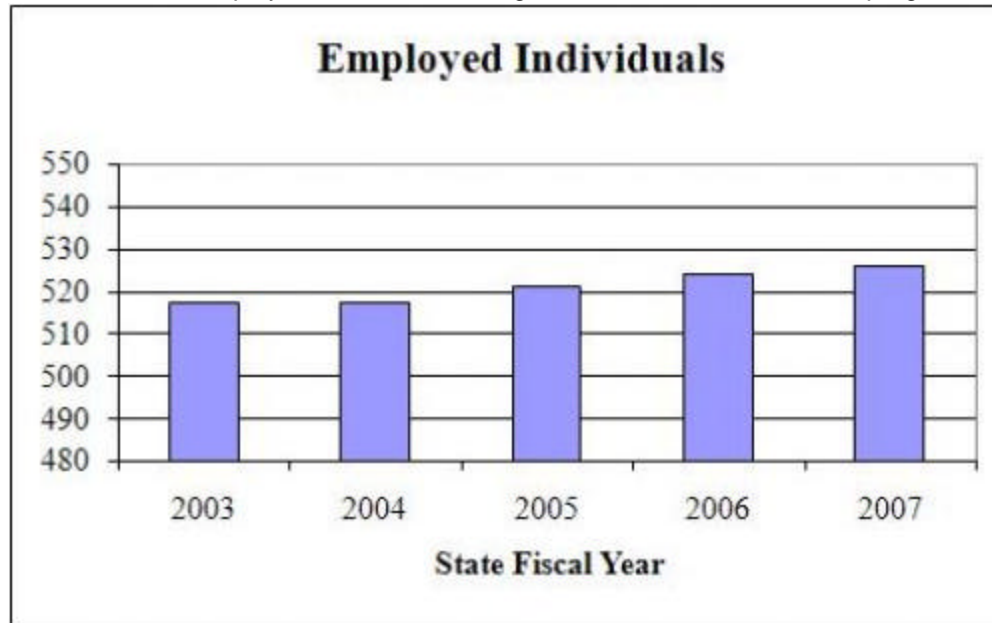
Full time	127
Part time	0
Total	127

Performance Measure Detail

A: Result - Alaskans with disabilities enter employment and become more economically self-sufficient.

Target #1: Equal prior year's number of employed individuals exiting the vocational rehabilitation program.

Measure #1: Number of employed individuals exiting the vocational rehabilitation program.



Employed Individuals

Fiscal Year	YTD
FY 2003	517
FY 2004	517
FY 2005	521
FY 2006	524
FY 2007	526

Analysis of results and challenges: An individual must be working for a minimum of 90 days in order to be counted as employed. The number of individuals employed has increased annually even though the number of applicants entering the program has slightly declined. In FY2006 the division served 3,960 individuals and in FY2007 3,897 were served.

The decline of applicants is probably attributed to the strong Alaskan labor market and economy. During the past year, the Division has made a concerted effort to outreach to potential referral sources to insure people with disabilities know about and can apply for vocational rehabilitation services.

Both staff and financial resources affect the number of individuals the division is able to assist. With level funding and the difficulty of recruiting qualified staff to replace our retiring experienced counselors, maintaining the current level of production will continue to challenge the division.

Target #2: The average wage of employed individuals exiting the program is 65% of the State's average wage.

Measure #2: Percentage of the average wage of individuals exiting the program employed as compared to the federally reported average state wage.

VR Consumer Wages as a Percent of State Wages

Fiscal Year	YTD	Target
FY 2003	70%	65%
FY 2004	66%	65%
FY 2005	67%	65%
FY 2006	67%	65%
FY 2007	68%	65%

Analysis of results and challenges: The Alaska Division of Vocational Rehabilitation works with individuals with disabilities to help them overcome their impediments to employment, to find good jobs with wages and career opportunities that allow them to become self-sufficient.

The federal standard is that the average wages of those exiting the vocational rehabilitation program employed should equal 52% of the state's average wages. The Alaska Division of Vocational Rehabilitation believes we should do better than this national goal and have set our target at 65%.

The Bureau of Labor Statistics shows the current average wage in Alaska is \$19.33. The current average wage for vocational rehabilitation consumers exiting the program employed is \$12.98 which is well above the State's minimum wage of \$7.15.

A1: Strategy - Improve timeliness of service delivery.

Target #1: 85% of eligibility determinations made within 60 days.

Measure #1: Percent of eligibility determinations made within 60 days.

Percent of Eligibility Determinations made within 60 Days

Fiscal Year	YTD
FY 2003	80%
FY 2004	76%
FY 2005	84%
FY 2006	82%
FY 2007	92%

Analysis of results and challenges: Making an eligibility decision within 60 days from application is good customer service, good rehabilitation and is based on federal regulation. An individual is also less likely to leave the program if there is action on their case. The division's goal of 85% exceeds the Federal goal of 75%.

For the first time the division has met and surpassed the 85% target with 92% of those made eligible were done so within 60 days. This is due to training of our field staff and continued reinforcement of the importance of this measure.

Federal regulations do allow for eligibility extensions when there are circumstances beyond our control and the individual agrees to an extension. When these extensions are included, the percentage increases to 98%.

Extensions indicate the vocational rehabilitation counselor is actively involved in the case and work is being done to make an eligibility decision.

Even with this success, the division will continue to positively reinforce the importance of timely service with staff.

Target #2: 70% of Individualized Plans for Employment (IPEs) developed within 100 days.

Measure #2: Percent of IPEs developed within 100 days.

Percent of IPEs Developed within 100 Days

Fiscal Year	YTD
FY 2003	68%
FY 2004	63%
FY 2005	63%
FY 2006	56%
FY 2007	63%

Analysis of results and challenges: This is a stretch target for the division and is self imposed. The division believes timely plan development is good customer service and keeps the client active and involved with the vocational rehabilitation process.

Progress was made in FY2007 toward meeting the goal as there was an increase in 7% points from FY2006 to FY2007. The last half of FY2007 showed a further increase with 67% of the plans being implemented within 100 days. The increase is due to staff training and increased emphasis by the vocational rehabilitation managers.

The people we are serving have very complicated lives and the planning process often gets interrupted. Plan development is also the time in the vocational rehabilitation process when various assessments are done to determine the individual's interests and capabilities. These activities do not always go as planned due to missed appointments or other issues.

Analysis of the data indicates there is no one specific issue which causes plan development delays. Often, individuals are not ready to move forward with a plan, but do not want their cases closed. The Alaska Division of Vocational Rehabilitation would rather put the clients first and provide the additional time and support some individuals need rather than closing cases too soon. Even so, we do believe this goal speaks to good, timely customer service and will continue to work towards improvement.

A2: Strategy - Exceed the federal standard for successfully completed Individual Plans for Employment (IPEs).

Target #1: 56% or more of IPEs are successfully completed with individuals exiting the vocational rehabilitation program employed.

Measure #1: Percent of successfully completed plans.

Percent of Completed IPEs Resulting in Employment

Fiscal Year	YTD
FY 2003	58%
FY 2004	62%
FY 2005	62%
FY 2006	62%
FY 2007	60%

Analysis of results and challenges: An Individual Plan for Employment (IPE) is considered successfully completed when an individual receives the necessary services as identified on the IPE to obtain employment

and the employment is maintained for 90 days. The decrease in the percent from FY2006 to FY2007 is due to the considerable effort that was made this year to close older cases that were languishing.

This measure speaks to efficiency and effectiveness. IPEs are very comprehensive and time consuming to develop as they delineate the employment goal, the type of services required to reach said goal, the estimated costs, who will provide the services and the length of time to complete the plan. Successful plans require the knowledge of certified vocational rehabilitation counselors, active client involvement, labor market research and evaluation of the client's abilities.

The division has elected to use the federal standard for this strategy as it helps to remind staff of the importance of good planning without giving undue emphasis to those plans that do not succeed. Too negative a focus on unsuccessful plans would discourage counselors from taking educated risks.